
State:	Colorado	Filing Company:	BEST Life and Health Insurance Company
TOI/Sub-TOI:	H10I Individual Health - Dental/H10I.000 Health - Dental		
Product Name:	Stand Alone Dental - Individual Market		
Project Name/Number:	Rate Filing/Exchange Products		

Filing at a Glance

Company:	BEST Life and Health Insurance Company
Product Name:	Stand Alone Dental - Individual Market
State:	Colorado
TOI:	H10I Individual Health - Dental
Sub-TOI:	H10I.000 Health - Dental
Filing Type:	Rate
Date Submitted:	05/28/2013
SERFF Tr Num:	BLHI-129044443
SERFF Status:	Closed-Filed
State Tr Num:	278338
State Status:	Filed
Co Tr Num:	CO RATE FILING
Implementation	01/01/2014
Date Requested:	
Author(s):	Paul Peatross, Margie Mergen
Reviewer(s):	Cathy Gilliland (primary), Nichole Boggess, Amy Filler, Michael Muldoon, Rachel Plummer
Disposition Date:	08/13/2013
Disposition Status:	Filed
Implementation Date:	01/01/2014
State Filing Description:	

State: Colorado
TOI/Sub-TOI: H101 Individual Health - Dental/H101.000 Health - Dental
Product Name: Stand Alone Dental - Individual Market
Project Name/Number: Rate Filing/Exchange Products
Filing Company: BEST Life and Health Insurance Company

General Information

Project Name: Rate Filing
Project Number: Exchange Products
Requested Filing Mode: File & Use
Explanation for Combination/Other:
Submission Type: New Submission
Overall Rate Impact:
Status of Filing in Domicile: Pending
Date Approved in Domicile:
Domicile Status Comments: BEST Life is domiciled in Texas.
This filing is pending approval.
Market Type: Individual
Individual Market Type:
Filing Status Changed: 08/13/2013
State Status Changed: 08/13/2013
Deemer Date:
Submitted By: Margie Mergen
Created By: Margie Mergen
Corresponding Filing Tracking Number:
Filing Description:
BEST Life and Health Insurance Company – NAIC No. 90638
FEIN: 95-6042390

List of Forms:

GFD-IM-PPO-POL-0113CO - Association Dental Policy
GFD-IM-PPO-CERT-0113CO - Certificate of Insurance
GFD-IM-PPO-SOV-0113CO - Statement of Variability

Dear Sir or Madam,

On behalf of BEST Life and Health Insurance Company, please find enclosed the Rate Filing. This filing is to meet the requirements for offering stand alone dental on the Colorado Exchange. Our filing includes 2 products for the Individual Market. These forms do not replace previously filed forms and do not deviate from generally accepted standard insurance practices.

Should you have any questions or concerns regarding this filing, please contact me directly at the number listed below or via email. I appreciate your time and consideration.

Sincerely,

Margie Mergen
Compliance Analyst
BEST Life and Health Insurance Company
1-800-433-0088, ext. 226
Fax: 949-222-1004
Email: mmergen@bestlife.com

Company and Contact

Filing Contact Information

Paul Peatross, Senior Vice President
2505 McCabe Way
Irvine, CA 92614
ppeatross@bestlife.com
949-222-2118 [Phone]

State: Colorado **Filing Company:** BEST Life and Health Insurance Company
TOI/Sub-TOI: H10I Individual Health - Dental/H10I.000 Health - Dental
Product Name: Stand Alone Dental - Individual Market
Project Name/Number: Rate Filing/Exchange Products

Filing Company Information

BEST Life and Health Insurance
Company
2505 McCabe Way
Irvine, CA 92623
(800) 433-0088 ext. [Phone]

CoCode: 90638
Group Code:
Group Name:
FEIN Number: 95-6042390

State of Domicile: Texas
Company Type:
State ID Number: 90638

Filing Fees

Fee Required? No

Retaliatory? No

Fee Explanation:

State Specific

Please enter state-specific code(s) found in Colorado's Filing Requirements Bulletins, or on the General Instructions page.

Please list all applicable state-specific codes. If no codes are applicable, please enter N/A.: 651, 850

All rate and loss cost filing types MUST be submitted with completed Rate Data Fields in accordance with Sections 10-4-401 and 10-16-107 C.R.S. This requirement does not apply to form filing types. Rate and loss cost filings not including this data will be rejected. If this is a rate or loss cost filing, have these fields been completed?: Yes.

Have you completed the Forms Schedule Tab? ALL Life, Accident, and Health Rate and Form filing types require the Form Schedule Tab to be completed. In addition, all Form, Annual Form Certification, and Refund Calculation filing types require the Form Schedule Tab to be completed. The actual form must be attached to Form filing types only when filing: Medicare Supplement, Long-Term Care Partnership, Stop Loss, P&C Summary Disclosure Forms, and Workers Compensation. It is not necessary to submit the actual form for other lines of insurance. Thank you.: Yes.

State:	Colorado	Filing Company:	BEST Life and Health Insurance Company
TOI/Sub-TOI:	H10I Individual Health - Dental/H10I.000 Health - Dental		
Product Name:	Stand Alone Dental - Individual Market		
Project Name/Number:	Rate Filing/Exchange Products		

Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Filed	Nichole Boggess	08/13/2013	08/13/2013

Objection Letters and Response Letters

Objection Letters

Status	Created By	Created On	Date Submitted
Pending Industry Response	Rachel Plummer	08/12/2013	08/12/2013
Pending Industry Response	Rachel Plummer	07/31/2013	07/31/2013
Pending Industry Response	Rachel Plummer	07/31/2013	07/31/2013
Pending Industry Response	Rachel Plummer	07/31/2013	07/31/2013
Pending Industry Response	Rachel Plummer	07/29/2013	07/29/2013
Pending Industry Response	Cathy Gilliland	07/15/2013	07/15/2013
Pending Industry Response	Michael Muldoon	07/15/2013	07/15/2013

Response Letters

Responded By	Created On	Date Submitted
Margie Mergen	08/12/2013	08/12/2013
Margie Mergen	08/01/2013	08/01/2013
Margie Mergen	08/01/2013	08/01/2013
Margie Mergen	07/31/2013	07/31/2013
Margie Mergen	07/30/2013	07/30/2013
Margie Mergen	07/18/2013	07/18/2013
Margie Mergen	07/19/2013	07/19/2013

State:	Colorado	Filing Company:	BEST Life and Health Insurance Company
TOI/Sub-TOI:	H10I Individual Health - Dental/H10I.000 Health - Dental		
Product Name:	Stand Alone Dental - Individual Market		
Project Name/Number:	Rate Filing/Exchange Products		

Objection Letters and Response Letters

Objection Letters

Status	Created By	Created On	Date Submitted
Pending Industry Response	Rachel Plummer	07/05/2013	07/05/2013
Pending Industry Response	Cathy Gilliland	06/20/2013	06/20/2013
Pending Industry Response	Cathy Gilliland	06/03/2013	06/03/2013
Pending Industry Response	Cathy Gilliland	05/31/2013	05/31/2013

Response Letters

Responded By	Created On	Date Submitted
Margie Mergen	07/11/2013	07/11/2013
Margie Mergen	06/21/2013	06/21/2013
Margie Mergen	06/07/2013	06/07/2013
Margie Mergen	05/31/2013	05/31/2013

Amendments

Schedule	Schedule Item Name	Created By	Created On	Date Submitted
Form	Individual Policy	Margie Mergen	08/05/2013	08/05/2013
Form	Outline of Coverage	Margie Mergen	08/05/2013	08/05/2013
Form	Statement of Variability	Margie Mergen	08/05/2013	08/05/2013
Rate	PEDIATRIC RATE CALCULATIONS	Margie Mergen	08/05/2013	08/05/2013
Rate	ADULT RATE CALCULATIONS	Margie Mergen	08/05/2013	08/05/2013
Supporting Document	Actuarial Memorandum	Margie Mergen	08/05/2013	08/05/2013
Supporting Document	Individual Rule Manual	Margie Mergen	08/05/2013	08/05/2013

State:	Colorado	Filing Company:	BEST Life and Health Insurance Company
TOI/Sub-TOI:	H10I Individual Health - Dental/H10I.000 Health - Dental		
Product Name:	Stand Alone Dental - Individual Market		
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Amendments

Schedule	Schedule Item Name	Created By	Created On	Date Submitted
Supporting Document	Requested information	Margie Mergen	07/31/2013	07/31/2013
Supporting Document	Requested information	Margie Mergen	07/31/2013	07/31/2013
Rate	ACTUARIAL MEMORANDUM	Margie Mergen	06/14/2013	06/14/2013
Rate	PEDIATRIC RATE CALCULATIONS	Margie Mergen	06/14/2013	06/14/2013
Rate	ADULT RATE CALCULATIONS	Margie Mergen	06/14/2013	06/14/2013
Supporting Document	Actuarial Memorandum	Margie Mergen	06/14/2013	06/14/2013

State:	Colorado	Filing Company:	BEST Life and Health Insurance Company
TOI/Sub-TOI:	H10I Individual Health - Dental/H10I.000 Health - Dental		
Product Name:	Stand Alone Dental - Individual Market		
Project Name/Number:	Rate Filing/Exchange Products		

Disposition

Disposition Date: 08/13/2013
Implementation Date: 01/01/2014
Status: Filed

Comment: State Tracking #278338
Company: Best Life and Health insurance Company
Product Line: Individual Dental Standalone Plans

Rate Implementation Summary
Effective Date of New Rate Implementation: 1/1/2014 through 12/31/2014
This is a new Filing for 2014 Standalone Dental plans, there is no rate change involved with this filing.

The purpose of this rate filing is to establish new product rates for standalone dental plans that are reasonable relative to the benefits provided and to demonstrate compliance with state laws and provisions of the Exchange if applicable.

On Exchange Only Plans
Child Only Pediatric: 2 plans (High AV and Low AV)
Other Adult & Child: 4 plans

Final Rate Filing Disposition
The Division has filed the rates in their final form after all adjustments.

See attached letter for additional details regarding this rate filing.

Rate data does NOT apply to filing.

Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	HR-1 Form (H)		Yes
Supporting Document (revised)	Actuarial Memorandum		Yes
Supporting Document	Actuarial Memorandum		Yes
Supporting Document	Actuarial Memorandum		Yes

State:	Colorado	Filing Company:	BEST Life and Health Insurance Company
TOI/Sub-TOI:	H10I Individual Health - Dental/H10I.000 Health - Dental		
Product Name:	Stand Alone Dental - Individual Market		
Project Name/Number:	Rate Filing/Exchange Products		

Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Actuarial Memorandum		Yes
Supporting Document	Actuarial Memorandum		Yes
Supporting Document	Actuarial Memorandum		Yes
Supporting Document	Actuarial Memorandum		Yes
Supporting Document (revised)	Individual Rule Manual		Yes
Supporting Document	Requested information		Yes
Supporting Document	Requested information		Yes
Supporting Document	Requested information		Yes
Supporting Document	Milliman Report		Yes
Form (revised)	Individual Policy		Yes
Form	Association Policy		Yes
Form (revised)	Outline of Coverage		Yes
Form	Certificate of Insurance		Yes
Form (revised)	Statement of Variability		Yes
Form	Statement of Variability		Yes
Rate (revised)	ACTUARIAL MEMORANDUM		Yes
Rate	ACTUARIAL MEMORANDUM		Yes
Rate	ACTUARIAL MEMORANDUM		Yes
Rate (revised)	PEDIATRIC RATE CALCULATIONS		Yes
Rate	PEDIATRIC RATE CALCULATIONS		Yes
Rate	PEDIATRIC RATE CALCULATIONS		Yes
Rate	PEDIATRIC RATE CALCULATIONS		Yes
Rate	PEDIATRIC RATE CALCULATIONS		Yes

State:	Colorado	Filing Company:	BEST Life and Health Insurance Company
TOI/Sub-TOI:	H10I Individual Health - Dental/H10I.000 Health - Dental		
Product Name:	Stand Alone Dental - Individual Market		
Project Name/Number:	Rate Filing/Exchange Products		

Schedule	Schedule Item	Schedule Item Status	Public Access
Rate (revised)	ADULT RATE CALCULATIONS		Yes
Rate	ADULT RATE CALCULATIONS		Yes
Rate	ADULT RATE CALCULATIONS		Yes
Rate	ADULT RATE CALCULATIONS		Yes
Rate	ADULT RATE CALCULATIONS		Yes
Rate	AREA FACTORS		Yes

Final Disposition Letter

State Tracking #278338

Company: Best Life and Health insurance Company

Product Line: Individual Dental Standalone Plans

Rate Implementation Summary

Effective Date of New Rate Implementation: 1/1/2014 through 12/31/2014

This is a new Filing for 2014 Standalone Dental plans, there is no rate change involved with this filing.

The purpose of this rate filing is to establish new product rates for standalone dental plans that are reasonable relative to the benefits provided and to demonstrate compliance with state laws and provisions of the Exchange if applicable.

On Exchange Only Plans

Child Only Pediatric: 2 plans (High AV and Low AV).

Other Adult & Child: 4 plans

Rate Methodology

Experience Used for Rate Setting: Base claim costs are developed using our company credible California claims experience from 2010 to 2012. Base claim costs are adjusted to reflect the plan design and adjusted for area using the 2010 HealthMaps Dental Rate Manual.

2012 Experience Period Loss Ratio:

57.4% Loss Ratio based on an average of 5,031 members enrolled with \$5.2 Million in premium.

2010-2012 Three Year Experience Period Loss Ratio:

61.0% Loss ratio based on an average of 5,677 enrolled members with \$17.1 Million.

Annual Dental Cost Trends: 3.0%.

Premium Retained to Cover Expenses, Taxes Fees and Profits

Administrative costs: Expenses the insurance company pays to operate this insurance plan.

This includes all expenses not directly related to paying claims, such as, but not limited to, salaries of company employees, the cost of the company's offices and equipment, commissions to agents to sell and service policies, subsidies to cover legally required plans such as portability, and taxes.

Profit: The amount of money remaining after claims and administrative expenses are paid. Margin is the comparable term for a nonprofit insurance company.

The average premium retention is 30.4% which is composed of the following:

Admin Expenses: 13.5%

Commissions: 10.0%

Premium Tax: 2.0%

Exchange User fees: 1.4%

Profit: 3.5%

Final Disposition Letter

Sample of Final Premium Levels

		LOW AV											
		Rating Area 1		Rating Area 2		Rating Area 3		Rating Area 4		Rating Area 5		Rating Area 7	
Level of Coverage	Age*	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High
Low	0-20	\$45.37	\$45.37	\$44.00	\$44.00	\$45.19	\$45.19	\$45.12	\$45.13	\$39.16	\$39.16	\$44.31	\$44.31
	21	\$40.11		\$38.90		\$39.95		\$39.89		\$34.62		\$39.17	
	64	\$42.85		\$41.56		\$42.68		\$42.62		\$36.99		\$41.85	
High	0-20	\$61.92	\$61.92	\$60.06	\$60.06	\$61.68	\$61.68	\$61.59	\$61.59	\$53.45	\$53.45	\$60.47	\$60.48
	21	\$52.42		\$50.85		\$52.22		\$52.14		\$45.25		\$51.20	
	64	\$56.01		\$54.32		\$55.79		\$55.71		\$48.35		\$54.70	

Division Objections and Rate Changes During the Review Process

The Division objects to the lack of support for rating adjustments that were made following the initial filing. Best did not properly support rate adjustments for orthodontia and maximum allowable charge method.

The Division objected to the application of a 3.5% retention load for the Exchange User Fee. Best subsequently reduced this fee to 1.4%.

Final Rate Filing Disposition

The Division has filed the rates in their final form after all adjustments.

State:	Colorado	Filing Company:	BEST Life and Health Insurance Company
TOI/Sub-TOI:	H10I Individual Health - Dental/H10I.000 Health - Dental		
Product Name:	Stand Alone Dental - Individual Market		
Project Name/Number:	Rate Filing/Exchange Products		

Objection Letter

Objection Letter Status	Pending Industry Response
Objection Letter Date	08/12/2013
Submitted Date	08/12/2013
Respond By Date	08/13/2013

Dear Paul Peatross,

Introduction:

This filing has been received, but before further action can be taken, please address the following:

Objection 1

Comments: We acknowledge that you have uploaded the area factors in the Actuarial Memorandum portion on the Supporting Documents tab. Please include that same information in the rate manual located on the Rate/Rule Schedule tab. This is for consumer use. You have until tomorrow to upload these factors or the rate filing will be rejected.

Conclusion:

If any of the requested rate information results in changes to the filing forms (HR-1 or A, B, C or D), please also submit revised forms.

Colorado Insurance Regulation 1-1-8 requires that every person shall provide a complete response in writing to any inquiry from the Division of Insurance. This reply must be submitted by 08/13/2013, which is within 1 calendar day from the date of this correspondence.

The request for an extension of time must state the reason for such request and the number of additional days required to provide a complete response. Requests for additional time will be granted for good cause shown and for a reasonable period at the discretion of the Division. Requests for an extension of time must be submitted through SERFF.

Failure to provide a full or complete response, or to request an extension for a specified period, may result in the imposition of a \$500 fine under Colorado Insurance Regulation 1-1-8 and applicable surcharge pursuant to §24-34-108(2), C.R.S. This surcharge will be used to fund the development, implementation and maintenance of a consumer outreach and education program. Pursuant to Section 6 of Colorado Insurance Regulation 1-1-8, and after notice and hearing, additional sanctions may be sought under C.R.S. 10-1-215 and other fining and penalty provisions of Title 10.

Sincerely,

Rachel Plummer

State:	Colorado	Filing Company:	BEST Life and Health Insurance Company
TOI/Sub-TOI:	H101 Individual Health - Dental/H101.000 Health - Dental		
Product Name:	Stand Alone Dental - Individual Market		
Project Name/Number:	Rate Filing/Exchange Products		

Objection Letter

Objection Letter Status	Pending Industry Response
Objection Letter Date	07/31/2013
Submitted Date	07/31/2013
Respond By Date	07/31/2013

Dear Paul Peatross,

Introduction:

This filing has been received, but before further action can be taken, please address the following:

Objection 1

Comments: Per our phone conversation on 7/31, please upload a new rate manual. Add the breakdown of the rates of all 6 plans (which you have in the Act Memo) in addition to what you already have in the rate manual. This will give us a clear crosswalk of the plan ids from the rate filing to the binder filing - for consumer purposes.

Conclusion:

If any of the requested rate information results in changes to the filing forms (HR-1 or A, B, C or D), please also submit revised forms.

Colorado Insurance Regulation 1-1-8 requires that every person shall provide a complete response in writing to any inquiry from the Division of Insurance. This reply must be submitted by 07/31, which is within 0 calendar days from the date of this correspondence. If additional time is required to provide a complete response, including any documentation which is requested, a request for an extension of time must be submitted by 07/31.

The request for an extension of time must state the reason for such request and the number of additional days required to provide a complete response. Requests for additional time will be granted for good cause shown and for a reasonable period at the discretion of the Division. Requests for an extension of time must be submitted through SERFF.

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Sincerely,

Rachel Plummer

State:	Colorado	Filing Company:	BEST Life and Health Insurance Company
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Objection Letter

Objection Letter Status	Pending Industry Response
Objection Letter Date	07/31/2013
Submitted Date	07/31/2013
Respond By Date	07/31/2013

Dear Paul Peatross,

Introduction:

This filing has been received, but before further action can be taken, please address the following:

Objection 1

- PEDIATRIC RATE CALCULATIONS, [IFD-PPO-POL-0113CO] (Rate)

Comments: Per our phone conversation on 7/31, please provide proper justification for the reduction in your base rate.

Objection 2

Comments: Per our phone conversation, please upload the Rating Area Factors to the most current Act Memo in the Supporting Documents. They are currently in the "old" Act Memos.

Conclusion:

If any of the requested rate information results in changes to the filing forms (HR-1 or A, B, C or D), please also submit revised forms.

Colorado Insurance Regulation 1-1-8 requires that every person shall provide a complete response in writing to any inquiry from the Division of Insurance. This reply must be submitted by 07/31, which is within 0 calendar days from the date of this correspondence. If additional time is required to provide a complete response, including any documentation which is requested, a request for an extension of time must be submitted by 07/31.

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Sincerely,

Rachel Plummer

State:	Colorado	Filing Company:	BEST Life and Health Insurance Company
TOI/Sub-TOI:	H10I Individual Health - Dental/H10I.000 Health - Dental		
Product Name:	Stand Alone Dental - Individual Market		
Project Name/Number:	Rate Filing/Exchange Products		

Objection Letter

Objection Letter Status	Pending Industry Response
Objection Letter Date	07/31/2013
Submitted Date	07/31/2013
Respond By Date	07/31/2013

Dear Paul Peatross,

Introduction:

This filing has been received, but before further action can be taken, please address the following:

Objection 1

- PEDIATRIC RATE CALCULATIONS, [IFD-PPO-POL-0113CO] (Rate)

Comments: Please include the plan ids in the actual PDF of the manual.

Objection 2

- PEDIATRIC RATE CALCULATIONS, [IFD-PPO-POL-0113CO] (Rate)

Comments: Please include all of the plan rates in the manual.

I count 2 plans in the pediatric manual, and ONLY 3 plans in the supplemental manual. This makes 5 plans total. However you are offering 6 unique plan ids total. Please specify this on the manual.

Conclusion:

If any of the requested rate information results in changes to the filing forms (HR-1 or A, B, C or D), please also submit revised forms.

Colorado Insurance Regulation 1-1-8 requires that every person shall provide a complete response in writing to any inquiry from the Division of Insurance. This reply must be submitted by 7/31, which is within 0 calendar days from the date of this correspondence. If additional time is required to provide a complete response, including any documentation which is requested, a request for an extension of time must be submitted by 7/31.

The request for an extension of time must state the reason for such request and the number of additional days required to provide a complete response. Requests for additional time will be granted for good cause shown and for a reasonable period at the discretion of the Division. Requests for an extension of time must be submitted through SERFF.

Failure to provide a full or complete response, or to request an extension for a specified period, may result in the imposition of a \$500 fine under Colorado Insurance Regulation 1-1-8 and applicable surcharge pursuant to §24-34-108(2), C.R.S. This surcharge will be used to fund the development, implementation and maintenance of a consumer outreach and education program. Pursuant to Section 6 of Colorado Insurance Regulation 1-1-8, and after notice and hearing, additional sanctions may be sought under C.R.S. 10-1-215 and other fining and penalty provisions of Title 10.

Sincerely,

Rachel Plummer

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Objection Letter

Objection Letter Status	Pending Industry Response
Objection Letter Date	07/29/2013
Submitted Date	07/29/2013
Respond By Date	07/30/2013

Dear Paul Peatross,

Introduction:

This filing has been received, but before further action can be taken, please address the following:

Objection 1

Comments: Per Michael Muldoons objection written in the rate filing on 7/15/2013, the issue of the 3.5% exchange user fee was brought to your attention. Colorado Regulation allows a maximum of 1.4% user fee loading. We did a comparison between your old and new Rate Data Template and noticed that the premiums were lowered by approximately 3%. We need clarification on where this decrease comes from, since the 3.5% is still mentioned in the Rate Manual and Actuarial Memorandum within the rate filing in SERFF. We would expect to see the rates decrease by 2.1% (which is 3.5% minus 1.4%). There is still an outstanding objection in the rate filing that addresses this issue that was created on 7/28/2013. Please clarify where this 3% decrease comes from and why the 3.5% user fee is still mentioned throughout the filing.

New information should be submitted and this issue needs to be resolved by tomorrow, 07/30/2013, or this file will be rejected.

Objection 2

Comments: Under the Supporting Documents tab, we need you to upload your Area Factor supplement to the most current Act Memo. You can do this at the same time that you correct the user fee issue within the Act Memo. The supplement shows up in the previous version of the Act Memo, but needs to carry over to the most recent submission in the rate filing.

Objection 3

Comments: In the rate manual, we ask that you include the plan ids of each of the plans that you mention. This will provide a clear crosswalk in comparing what is in the rate filing to what is reported in the binder filing.

Conclusion:

If any of the requested rate information results in changes to the filing forms (HR-1 or A, B, C or D), please also submit revised forms.

Colorado Insurance Regulation 1-1-8 requires that every person shall provide a complete response in writing to any inquiry from the Division of Insurance. This reply must be submitted by 07/30/2013, which is within 1 calendar days from the date of this correspondence. If additional time is required to provide a complete response, including any documentation which is requested, a request for an extension of time must be submitted by 07/30/2013.

The request for an extension of time must state the reason for such request and the number of additional days required to provide a complete response. Requests for additional time will be granted for good cause shown and for a reasonable period at the discretion of the Division. Requests for an extension of time must be submitted through SERFF.

Failure to provide a full or complete response, or to request an extension for a specified period, may result in the imposition of a \$500 fine under Colorado Insurance Regulation 1-1-8 and applicable surcharge pursuant to §24-34-108(2), C.R.S. This surcharge will be used to fund the development, implementation and maintenance of a consumer outreach and education program. Pursuant to Section 6 of Colorado Insurance Regulation 1-1-8, and after notice and hearing, additional sanctions may be sought under C.R.S. 10-1-215 and other fining and penalty provisions of Title 10.

Sincerely,

State: Colorado **Filing Company:** BEST Life and Health Insurance Company
TOI/Sub-TOI: H10I Individual Health - Dental/H10I.000 Health - Dental
Product Name: Stand Alone Dental - Individual Market
Project Name/Number: Rate Filing/Exchange Products

Rachel Plummer

State:	Colorado	Filing Company:	BEST Life and Health Insurance Company
TOI/Sub-TOI:	H101 Individual Health - Dental/H101.000 Health - Dental		
Product Name:	Stand Alone Dental - Individual Market		
Project Name/Number:	Rate Filing/Exchange Products		

Objection Letter

Objection Letter Status	Pending Industry Response
Objection Letter Date	07/15/2013
Submitted Date	07/15/2013
Respond By Date	07/17/2013

Dear Paul Peatross,

Introduction:

This filing has been received, but before further action can be taken, please address the following:

Objection 1

- Actuarial Memorandum (Supporting Document)

Comments: Comment: Your company's Actuarial Memorandum is not compliant with the current version of Colorado Regulation 4-2-11. EVERY item in Section 6 MUST be discussed. Also, it is now a requirement that the Actuarial Memorandum items MUST be presented in the order in which it is demonstrated in the regulation. Please review the current version of Colorado Regulation 4-2-11, found on our website, prior to submitting.

(I) discussion is missing

(J) discussion is missing

(K) discussion is missing

(L) discussion is missing

(M) discussion is missing

(N) discussion is missing

(O) discussion is missing

(P) discussion is missing

(Q) discussion is missing

(R) discussion is missing

Conclusion:

Colorado Insurance Regulation 1-1-8 requires that every person shall provide a complete response in writing to any inquiry from the Division of Insurance. This reply must be submitted by 07/17/2013, which is within 2 calendar days from the date of this correspondence. If additional time is required to provide a complete response, including any documentation which is requested, a request for an extension of time must be submitted by 07/17/2013.

The request for an extension of time must state the reason for such request and the number of additional days required to provide a complete response. Requests for additional time will be granted for good cause shown and for a reasonable period at the discretion of the Division. Requests for an extension of time must be submitted through SERFF.

Failure to provide a full or complete response, or to request an extension for a specified period, may result in the imposition of a \$500 fine under Colorado Insurance Regulation 1-1-8 and applicable surcharge pursuant to §24-34-108(2), C.R.S. This surcharge will be used to fund the development, implementation and maintenance of a consumer outreach and education program. Pursuant to Section 6 of Colorado Insurance Regulation 1-1-8, and after notice and hearing, additional sanctions may be sought under C.R.S. 10-1-215 and other fining and penalty provisions of Title 10.

Sincerely,

Cathy Gilliland

State:	Colorado	Filing Company:	BEST Life and Health Insurance Company
TOI/Sub-TOI:	H101 Individual Health - Dental/H101.000 Health - Dental		
Product Name:	Stand Alone Dental - Individual Market		
Project Name/Number:	Rate Filing/Exchange Products		

Objection Letter

Objection Letter Status	Pending Industry Response
Objection Letter Date	07/15/2013
Submitted Date	07/15/2013
Respond By Date	07/22/2013

Dear Paul Peatross,

Introduction:

This filing has been received, but before further action can be taken, please address the following:

Objection 1

- Actuarial Memorandum (Supporting Document)

Comments: Please clarify if the 3.5% User fee rate load is the federal exchange user fee.

Colorado is a state based exchange, the COHBE User Fee is 1.4% for 2014.

Please provide the actuarial support for the admin and commission expenses, include financial data from current business and any other analysis used to set the 13.5% for administrative costs and the 10.0% for commissions.

Conclusion:

If any of the requested rate information results in changes to the filing forms (HR-1 or A, B, C or D), please also submit revised forms.

Colorado Insurance Regulation 1-1-8 requires that every person shall provide a complete response in writing to any inquiry from the Division of Insurance. This reply must be submitted by 07/22/2013, which is within 7 calendar days from the date of this correspondence.

Failure to provide a full or complete response may result in the imposition of a \$500 fine under Colorado Insurance Regulation 1-1-8 and applicable surcharge pursuant to §24-34-108(2), C.R.S. This surcharge will be used to fund the development, implementation and maintenance of a consumer outreach and education program. Pursuant to Section 6 of Colorado Insurance Regulation 1-1-8, and after notice and hearing, additional sanctions may be sought under C.R.S. 10-1-215 and other fining and penalty provisions of Title 10.

Sincerely,

Michael Muldoon

State:	Colorado	Filing Company:	BEST Life and Health Insurance Company
TOI/Sub-TOI:	H101 Individual Health - Dental/H101.000 Health - Dental		
Product Name:	Stand Alone Dental - Individual Market		
Project Name/Number:	Rate Filing/Exchange Products		

Objection Letter

Objection Letter Status	Pending Industry Response
Objection Letter Date	07/05/2013
Submitted Date	07/05/2013
Respond By Date	07/11/2013

Dear Paul Peatross,

Introduction:

This filing has been received, but before further action can be taken, please address the following:

Objection 1

Comments: There are issues with your current rate data template. There are 11 tabs and some rates at an amount of \$9999.00. Please fix error and resubmit in the Template tab of the binder filing.

Conclusion:

If any of the requested rate information results in changes to the filing forms (HR-1 or A, B, C or D), please also submit revised forms.

Colorado Insurance Regulation 1-1-8 requires that every person shall provide a complete response in writing to any inquiry from the Division of Insurance. This reply must be submitted by 07/11/2013, which is within 6 calendar days from the date of this correspondence. If additional time is required to provide a complete response, including any documentation which is requested, a request for an extension of time must be submitted by 07/11/2013.

The request for an extension of time must state the reason for such request and the number of additional days required to provide a complete response. Requests for additional time will be granted for good cause shown and for a reasonable period at the discretion of the Division. Requests for an extension of time must be submitted through SERFF.

Failure to provide a full or complete response, or to request an extension for a specified period, may result in the imposition of a \$500 fine under Colorado Insurance Regulation 1-1-8 and applicable surcharge pursuant to §24-34-108(2), C.R.S. This surcharge will be used to fund the development, implementation and maintenance of a consumer outreach and education program. Pursuant to Section 6 of Colorado Insurance Regulation 1-1-8, and after notice and hearing, additional sanctions may be sought under C.R.S. 10-1-215 and other fining and penalty provisions of Title 10.

Sincerely,

Rachel Plummer

State:	Colorado	Filing Company:	BEST Life and Health Insurance Company
TOI/Sub-TOI:	H10I Individual Health - Dental/H10I.000 Health - Dental		
Product Name:	Stand Alone Dental - Individual Market		
Project Name/Number:	Rate Filing/Exchange Products		

Objection Letter

Objection Letter Status	Pending Industry Response
Objection Letter Date	06/20/2013
Submitted Date	06/20/2013
Respond By Date	06/24/2013

Dear Paul Peatross,

Introduction:

This filing has been received, but before further action can be taken, please address the following:

Objection 1

- Actuarial Memorandum (Supporting Document)

Comments: Please provide the summary of area factors.

Conclusion:

Colorado Insurance Regulation 1-1-8 requires that every person shall provide a complete response in writing to any inquiry from the Division of Insurance. This reply must be submitted by 06/24/2013, which is within 4 calendar days from the date of this correspondence. If additional time is required to provide a complete response, including any documentation which is requested, a request for an extension of time must be submitted by 06/24/2013.

The request for an extension of time must state the reason for such request and the number of additional days required to provide a complete response. Requests for additional time will be granted for good cause shown and for a reasonable period at the discretion of the Division. Requests for an extension of time must be submitted through SERFF.

Failure to provide a full or complete response, or to request an extension for a specified period, may result in the imposition of a \$500 fine under Colorado Insurance Regulation 1-1-8 and applicable surcharge pursuant to §24-34-108(2), C.R.S. This surcharge will be used to fund the development, implementation and maintenance of a consumer outreach and education program. Pursuant to Section 6 of Colorado Insurance Regulation 1-1-8, and after notice and hearing, additional sanctions may be sought under C.R.S. 10-1-215 and other fining and penalty provisions of Title 10.

Sincerely,

Cathy Gilliland

State:	Colorado	Filing Company:	BEST Life and Health Insurance Company
TOI/Sub-TOI:	H10I Individual Health - Dental/H10I.000 Health - Dental		
Product Name:	Stand Alone Dental - Individual Market		
Project Name/Number:	Rate Filing/Exchange Products		

Objection Letter

Objection Letter Status	Pending Industry Response
Objection Letter Date	06/03/2013
Submitted Date	06/03/2013
Respond By Date	06/10/2013

Dear Paul Peatross,

Introduction:

This filing has been received, but before further action can be taken, please address the following:

Objection 1

Comments: Please correct the requested filing mode to file and use.

Objection 2

Comments: Please attach the actuarial memorandum on the correct tab (supporting documentation)

Objection 3

- ACTUARIAL MEMORANDUM, [GFD-IM-PPO-POL-0113CO] (Rate)

Comments: regulation 4-2-11 section 6 (A) 2 Requested Rate Action: The overall rate increase or decrease amount should be listed. Please provide if (0%)

Objection 4

- ACTUARIAL MEMORANDUM, [GFD-IM-PPO-POL-0113CO] (Rate)

Comments: Regulation 4-2-11 section 6 (A) 3 Marketing method(s): A brief description of the marketing method used for the filed form should be listed.

Objection 5

- ACTUARIAL MEMORANDUM, [GFD-IM-PPO-POL-0113CO] (Rate)

Comments: Regulation 4-2-11 section 6 (B) Assumption, Acquisition or Merger: The memorandum must state whether or not the products included in the rate filing were part of an assumption, acquisition or merger of policies from/with another carrier. If so, then the memorandum must include the full name of the carrier/carriers from which the policies were assumed, acquired or merged, and the closing date of assumption, acquisition or merger.

Objection 6

- ACTUARIAL MEMORANDUM, [GFD-IM-PPO-POL-0113CO] (Rate)

Comments: Regulation 4-2-11 (C) Rating Period: If the length of the rating period is not clearly identified, it will be assumed to be for twelve months, starting from the proposed implementation date.

Objection 7

- ACTUARIAL MEMORANDUM, [GFD-IM-PPO-POL-0113CO] (Rate)

Comments: Your company's Actuarial Memorandum is not compliant with the current version of Colorado Regulation 4-2-11. EVERY item in Section 6 MUST be discussed. Also, it is now a requirement that the Actuarial Memorandum items MUST be presented in the order in which it is demonstrated in the regulation. Please review the current version of Colorado Regulation 4-2-11, found on our website, prior to submitting.

Objection 8

- ACTUARIAL MEMORANDUM, [GFD-IM-PPO-POL-0113CO] (Rate)

Comments: Regulation 4-2-11 Please provide all of Regulation 4-2-11 from (E) through (R)

Objection 9

State:	Colorado	Filing Company:	BEST Life and Health Insurance Company
TOI/Sub-TOI:	H101 Individual Health - Dental/H101.000 Health - Dental		
Product Name:	Stand Alone Dental - Individual Market		
Project Name/Number:	Rate Filing/Exchange Products		

Comments: Please remove prior rate information on the rate/rule schedule as this is a new filing.

Upon Approval

Rate Change Type: Neutral

Overall Percentage of Last Rate Revision: 0.000 %

Effective Date of Last Rate Revision: 01/01/2014

Filing Method of Last Filing: New product

Objection 10

Comments: Please refer to Plan Management on SERFF for stand alone dental filings. Stand Alone dental filing procedures are on DOI's website.

Conclusion:

Colorado Insurance Regulation 1-1-8 requires that every person shall provide a complete response in writing to any inquiry from the Division of Insurance. This reply must be submitted by 06/10/2013, which is within 7 calendar days from the date of this correspondence. If additional time is required to provide a complete response, including any documentation which is requested, a request for an extension of time must be submitted by 06/10/2013.

The request for an extension of time must state the reason for such request and the number of additional days required to provide a complete response. Requests for additional time will be granted for good cause shown and for a reasonable period at the discretion of the Division. Requests for an extension of time must be submitted through SERFF.

Failure to provide a full or complete response, or to request an extension for a specified period, may result in the imposition of a \$500 fine under Colorado Insurance Regulation 1-1-8 and applicable surcharge pursuant to §24-34-108(2), C.R.S. This surcharge will be used to fund the development, implementation and maintenance of a consumer outreach and education program. Pursuant to Section 6 of Colorado Insurance Regulation 1-1-8, and after notice and hearing, additional sanctions may be sought under C.R.S. 10-1-215 and other fining and penalty provisions of Title 10.

Sincerely,

Cathy Gilliland

State:	Colorado	Filing Company:	BEST Life and Health Insurance Company
TOI/Sub-TOI:	H101 Individual Health - Dental/H101.000 Health - Dental		
Product Name:	Stand Alone Dental - Individual Market		
Project Name/Number:	Rate Filing/Exchange Products		

Objection Letter

Objection Letter Status	Pending Industry Response
Objection Letter Date	05/31/2013
Submitted Date	05/31/2013
Respond By Date	06/03/2013

Dear Paul Peatross,

Introduction:

This filing has been received, but before further action can be taken, please address the following:

Objection 1

Comments: Please provide the binder and binder # for this filing on the exchange.

Conclusion:

Colorado Insurance Regulation 1-1-8 requires that every person shall provide a complete response in writing to any inquiry from the Division of Insurance. This reply must be submitted by 06/03/2013, which is within 3 calendar days from the date of this correspondence. If additional time is required to provide a complete response, including any documentation which is requested, a request for an extension of time must be submitted by 06/03/2013.

The request for an extension of time must state the reason for such request and the number of additional days required to provide a complete response. Requests for additional time will be granted for good cause shown and for a reasonable period at the discretion of the Division. Requests for an extension of time must be submitted through SERFF.

Failure to provide a full or complete response, or to request an extension for a specified period, may result in the imposition of a \$500 fine under Colorado Insurance Regulation 1-1-8 and applicable surcharge pursuant to §24-34-108(2), C.R.S. This surcharge will be used to fund the development, implementation and maintenance of a consumer outreach and education program. Pursuant to Section 6 of Colorado Insurance Regulation 1-1-8, and after notice and hearing, additional sanctions may be sought under C.R.S. 10-1-215 and other fining and penalty provisions of Title 10.

Sincerely,
Cathy Gilliland

State:	Colorado	Filing Company:	BEST Life and Health Insurance Company
TOI/Sub-TOI:	H10I Individual Health - Dental/H10I.000 Health - Dental		
Product Name:	Stand Alone Dental - Individual Market		
Project Name/Number:	Rate Filing/Exchange Products		

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	08/12/2013
Submitted Date	08/12/2013

Dear Cathy Gilliland,

Introduction:

Response 1

Comments:

Area factors have been added to the Rate Schedule Tab.

Related Objection 1

Comments: We acknowledge that you have uploaded the area factors in the Actuarial Memorandum portion on the Supporting Documents tab. Please include that same information in the rate manual located on the Rate/Rule Schedule tab. This is for consumer use. You have until tomorrow to upload these factors or the rate filing will be rejected.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

Rate/Rule Schedule Item Changes						
Item No.	Document Name	Affected Form Numbers (Separated with commas)	Rate Action	Rate Action Information	Attachments	Date Submitted
1	AREA FACTORS	IFD-PPO-POL-0113CO	New		Summary of Area Factors - CO 08022013.pdf,	08/12/2013 By: Margie Mergen

Conclusion:

SERFF Tracking #:	BLHI-129044443	State Tracking #:	278338	Company Tracking #:	CO RATE FILING
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State:	Colorado	Filing Company:	BEST Life and Health Insurance Company
TOI/Sub-TOI:	H10I Individual Health - Dental/H10I.000 Health - Dental		
Product Name:	Stand Alone Dental - Individual Market		
Project Name/Number:	Rate Filing/Exchange Products		

Sincerely,
Margie Mergen

State:	Colorado	Filing Company:	BEST Life and Health Insurance Company
TOI/Sub-TOI:	H10I Individual Health - Dental/H10I.000 Health - Dental		
Product Name:	Stand Alone Dental - Individual Market		
Project Name/Number:	Rate Filing/Exchange Products		

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	08/01/2013
Submitted Date	08/01/2013

Dear Cathy Gilliland,

Introduction:

Response 1

Comments:

The rate manual was included our amendment. Please let us know if this objection is referring to further requests for clarification in the rate manual.

Related Objection 1

Comments: Per our phone conversation on 7/31, please upload a new rate manual. Add the breakdown of the rates of all 6 plans (which you have in the Act Memo) in addition to what you already have in the rate manual. This will give us a clear crosswalk of the plan ids from the rate filing to the binder filing - for consumer purposes.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Conclusion:

Sincerely,

Margie Mergen

SERFF Tracking #:	BLHI-129044443	State Tracking #:	278338	Company Tracking #:	CO RATE FILING
State:	Colorado	Filing Company:	BEST Life and Health Insurance Company		
TOI/Sub-TOI:	H10I Individual Health - Dental/H10I.000 Health - Dental				
Product Name:	Stand Alone Dental - Individual Market				
Project Name/Number:	Rate Filing/Exchange Products				

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	08/01/2013
Submitted Date	08/01/2013

Dear Cathy Gilliland,

Introduction:

Response 1

Comments:

SERFF Tracking #:	BLHI-129044443	State Tracking #:	278338	Company Tracking #:	CO RATE FILING
<hr/>					
State:	Colorado	Filing Company:	BEST Life and Health Insurance Company		
TOI/Sub-TOI:	H10I Individual Health - Dental/H10I.000 Health - Dental				
Product Name:	Stand Alone Dental - Individual Market				
Project Name/Number:	Rate Filing/Exchange Products				

Per our phone conversation on 8/1/13, here is why our base rate was reduced:

Our initial rates were based on no 24 month waiting period on medically necessary orthodontia. Attached is the Milliman report that explains even though 2% of the population would use medically necessary orthodontia, the risk would increase rates by 79%.

When we realized that the benefits are really limited to braces and not jaw reconstruction, which is what we think Milliman was basing the analysis on, we reduced the base rate based on these procedure codes.

Other changes to the rates included the removal of the 24 month wait and the reimbursement of out-of-network claims from the 80th percentile of UCR to the Maximum Allowable Charge.

We have not seen pricing from other companies. We do not know of any that are available at this time.

Coverage for medically necessary ortho would include:

- (1) Limited orthodontic treatment of the primary dentition*
- (2) Limited orthodontic treatment of the transitional dentition*
- (3) Limited orthodontic treatment of the adolescent dentition*
- (4) Interceptive orthodontic treatment of the primary dentition*
- (5) Interceptive orthodontic treatment of the transitional dentition*
- (6) Comprehensive orthodontic treatment of the transitional dentition*
- (7) Comprehensive orthodontic treatment of the adolescent dentition*
- (8) Removable appliance therapy*
- (9) Fixed appliance therapy*
- (10) Pre-orthodontic treatment visit*
- (11) Periodic orthodontic treatment visit (as part of contract)*

State:	Colorado	Filing Company:	BEST Life and Health Insurance Company
TOI/Sub-TOI:	H10I Individual Health - Dental/H10I.000 Health - Dental		
Product Name:	Stand Alone Dental - Individual Market		
Project Name/Number:	Rate Filing/Exchange Products		

(12) Orthodontic retention (removal of appliances, construction and placement of retainer(s)

Related Objection 1

Applies To:

- PEDIATRIC RATE CALCULATIONS, [IFD-PPO-POL-0113CO] (Rate)

Comments: Per our phone conversation on 7/31, please provide proper justification for the reduction in your base rate.

Changed Items:

Supporting Document Schedule Item Changes	
Satisfied - Item:	Milliman Report
Comments:	
Attachment(s):	Milliman report.pdf

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Response 2

Comments:

Rating area factors have been moved to the Actuarial Memorandum.

Related Objection 2

Comments: Per our phone conversation, please upload the Rating Area Factors to the most current Act Memo in the Supporting Documents. They are currently in the "old" Act Memos.

Changed Items:

State:	Colorado	Filing Company:	BEST Life and Health Insurance Company
TOI/Sub-TOI:	H10I Individual Health - Dental/H10I.000 Health - Dental		
Product Name:	Stand Alone Dental - Individual Market		
Project Name/Number:	Rate Filing/Exchange Products		

Supporting Document Schedule Item Changes	
Satisfied - Item:	Actuarial Memorandum
Comments:	
Attachment(s):	Determination of Age Factors.pdf Actuarial Memorandum CO - Individual July 30 2013.pdf Summary of Area Factors - CO 07302013.pdf
<i>Previous Version</i>	
Satisfied - Item:	Actuarial Memorandum
Comments:	
Attachment(s):	Determination of Age Factors.pdf Actuarial Memorandum CO - Individual July 30 2013.pdf
<i>Previous Version</i>	
Satisfied - Item:	Actuarial Memorandum
Comments:	
Attachment(s):	Actuarial Memorandum CO - Individual July 18 2013.pdf Determination of Age Factors.pdf
<i>Previous Version</i>	
Satisfied - Item:	Actuarial Memorandum
Comments:	
Attachment(s):	Actuarial Memorandum CO - Individual June 13 2013.pdf Experience exhibit.pdf Individual Pediatric Rates - CO 06142013.pdf Individual Supplemental Rates - CO 06142013.pdf Summary of Area Factors - CO 06142013.pdf
<i>Previous Version</i>	
Satisfied - Item:	Actuarial Memorandum
Comments:	

State:	Colorado	Filing Company:	BEST Life and Health Insurance Company
TOI/Sub-TOI:	H10I Individual Health - Dental/H10I.000 Health - Dental		
Product Name:	Stand Alone Dental - Individual Market		
Project Name/Number:	Rate Filing/Exchange Products		

Attachment(s):	<i>Actuarial Memorandum CO - Individual June 13 2013.pdf</i> <i>Experience exhibit.pdf</i> <i>Individual Pediatric Rates - CO 06142013.pdf</i> <i>Individual Supplemental Rates - CO 06142013.pdf</i>
<i>Previous Version</i>	
Satisfied - Item:	<i>Actuarial Memorandum</i>
Comments:	
Attachment(s):	<i>Actuarial Memorandum CO - Individual June 06 2013.pdf</i>

Satisfied - Item:	Requested information
Comments:	
Attachment(s):	Rule Manual - CO 07312013.pdf Rule Manual - CO 07312013.xlsx Group size factor.pdf
<i>Previous Version</i>	
Satisfied - Item:	<i>Requested information</i>
Comments:	
Attachment(s):	<i>Rule Manual - CO 07312013.pdf</i> <i>Rule Manual - CO 07312013.xlsx</i> <i>Summary of Area Factors - CO 07302013.pdf</i> <i>Group size factor.pdf</i>
<i>Previous Version</i>	
Satisfied - Item:	<i>Requested information</i>
Comments:	
Attachment(s):	<i>Rule Manual - CO 07312013.pdf</i> <i>Rule Manual - CO 07312013.xlsx</i>

SERFF Tracking #:	BLHI-129044443	State Tracking #:	278338	Company Tracking #:	CO RATE FILING
State:	Colorado	Filing Company:	BEST Life and Health Insurance Company		
TOI/Sub-TOI:	H10I Individual Health - Dental/H10I.000 Health - Dental				
Product Name:	Stand Alone Dental - Individual Market				
Project Name/Number:	Rate Filing/Exchange Products				

State:	Colorado	Filing Company:	BEST Life and Health Insurance Company
TOI/Sub-TOI:	H10I Individual Health - Dental/H10I.000 Health - Dental		
Product Name:	Stand Alone Dental - Individual Market		
Project Name/Number:	Rate Filing/Exchange Products		

Supporting Document Schedule Item Changes	
Satisfied - Item:	Actuarial Memorandum
Comments:	
Attachment(s):	Determination of Age Factors.pdf Actuarial Memorandum CO - Individual July 30 2013.pdf Summary of Area Factors - CO 07302013.pdf
<i>Previous Version</i>	
Satisfied - Item:	Actuarial Memorandum
Comments:	
Attachment(s):	Determination of Age Factors.pdf Actuarial Memorandum CO - Individual July 30 2013.pdf
<i>Previous Version</i>	
Satisfied - Item:	Actuarial Memorandum
Comments:	
Attachment(s):	Actuarial Memorandum CO - Individual July 18 2013.pdf Determination of Age Factors.pdf
<i>Previous Version</i>	
Satisfied - Item:	Actuarial Memorandum
Comments:	
Attachment(s):	Actuarial Memorandum CO - Individual June 13 2013.pdf Experience exhibit.pdf Individual Pediatric Rates - CO 06142013.pdf Individual Supplemental Rates - CO 06142013.pdf Summary of Area Factors - CO 06142013.pdf
<i>Previous Version</i>	
Satisfied - Item:	Actuarial Memorandum
Comments:	

State:	Colorado	Filing Company:	BEST Life and Health Insurance Company
TOI/Sub-TOI:	H10I Individual Health - Dental/H10I.000 Health - Dental		
Product Name:	Stand Alone Dental - Individual Market		
Project Name/Number:	Rate Filing/Exchange Products		

Attachment(s):	<i>Actuarial Memorandum CO - Individual June 13 2013.pdf</i> <i>Experience exhibit.pdf</i> <i>Individual Pediatric Rates - CO 06142013.pdf</i> <i>Individual Supplemental Rates - CO 06142013.pdf</i>
<i>Previous Version</i>	
Satisfied - Item:	<i>Actuarial Memorandum</i>
Comments:	
Attachment(s):	<i>Actuarial Memorandum CO - Individual June 06 2013.pdf</i>

Satisfied - Item:	Requested information
Comments:	
Attachment(s):	Rule Manual - CO 07312013.pdf Rule Manual - CO 07312013.xlsx Group size factor.pdf
<i>Previous Version</i>	
Satisfied - Item:	<i>Requested information</i>
Comments:	
Attachment(s):	<i>Rule Manual - CO 07312013.pdf</i> <i>Rule Manual - CO 07312013.xlsx</i> <i>Summary of Area Factors - CO 07302013.pdf</i> <i>Group size factor.pdf</i>
<i>Previous Version</i>	
Satisfied - Item:	<i>Requested information</i>
Comments:	
Attachment(s):	<i>Rule Manual - CO 07312013.pdf</i> <i>Rule Manual - CO 07312013.xlsx</i>

State:	Colorado	Filing Company:	BEST Life and Health Insurance Company
TOI/Sub-TOI:	H10I Individual Health - Dental/H10I.000 Health - Dental		
Product Name:	Stand Alone Dental - Individual Market		
Project Name/Number:	Rate Filing/Exchange Products		

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Conclusion:

Sincerely,
Margie Mergen

State:	Colorado	Filing Company:	BEST Life and Health Insurance Company
TOI/Sub-TOI:	H101 Individual Health - Dental/H101.000 Health - Dental		
Product Name:	Stand Alone Dental - Individual Market		
Project Name/Number:	Rate Filing/Exchange Products		

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	07/31/2013
Submitted Date	07/31/2013

Dear Cathy Gilliland,

Introduction:

Response 1

Comments:

The actuarial memo explains the combination of plan IDs. The Rate Calculation Exhibits are the base rates. Adding Plan IDs to these exhibits will make it even more confusing.

If you still have questions, please contact Adam Chan at 1-800-433-0088, ext. 126.

Related Objection 1

Applies To:

- PEDIATRIC RATE CALCULATIONS, [IFD-PPO-POL-0113CO] (Rate)

Comments: Please include the plan ids in the actual PDF of the manual.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Response 2

Comments:

The actuarial memo explains the combination of plan IDs. The Rate Calculation Exhibits are the base rates. Adding Plan IDs to these exhibits will make it even more confusing.

If you still have questions, please contact Adam Chan at 1-800-433-0088, ext. 126.

Related Objection 2

Applies To:

- PEDIATRIC RATE CALCULATIONS, [IFD-PPO-POL-0113CO] (Rate)

Comments: Please include all of the plan rates in the manual.

I count 2 plans in the pediatric manual, and ONLY 3 plans in the supplemental manual. This makes 5 plans total. However you are offering 6 unique plan ids total. Please specify this on the manual.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Conclusion:

State: Colorado **Filing Company:** BEST Life and Health Insurance Company
TOI/Sub-TOI: H10I Individual Health - Dental/H10I.000 Health - Dental
Product Name: Stand Alone Dental - Individual Market
Project Name/Number: Rate Filing/Exchange Products

Sincerely,
Margie Mergen

SERFF Tracking #:	BLHI-129044443	State Tracking #:	278338	Company Tracking #:	CO RATE FILING
<hr/>					
State:	Colorado	Filing Company:	BEST Life and Health Insurance Company		
TOI/Sub-TOI:	H10I Individual Health - Dental/H10I.000 Health - Dental				
Product Name:	Stand Alone Dental - Individual Market				
Project Name/Number:	Rate Filing/Exchange Products				

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	07/30/2013
Submitted Date	07/30/2013

Dear Cathy Gilliland,

Introduction:

Response 1

Comments:

We are using the COHBE User Fee of 1.4% in this filing

Related Objection 1

Comments: Per Michael Muldoons objection written in the rate filing on 7/15/2013, the issue of the 3.5% exchange user fee was brought to your attention. Colorado Regulation allows a maximum of 1.4% user fee loading. We did a comparison between your old and new Rate Data Template and noticed that the premiums were lowered by approximately 3%. We need clarification on where this decrease comes from, since the 3.5% is still mentioned in the Rate Manual and Actuarial Memorandum within the rate filing in SERFF. We would expect to see the rates decrease by 2.1% (which is 3.5% minus 1.4%). There is still an outstanding objection in the rate filing that addresses this issue that was created on 7/28/2013. Please clarify where this 3% decrease comes from and why the 3.5% user fee is still mentioned throughout the filing.

New information should be submitted and this issue needs to be resolved by tomorrow, 07/30/2013, or this file will be rejected.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Response 2

Comments:

State:	Colorado	Filing Company:	BEST Life and Health Insurance Company
TOI/Sub-TOI:	H10I Individual Health - Dental/H10I.000 Health - Dental		
Product Name:	Stand Alone Dental - Individual Market		
Project Name/Number:	Rate Filing/Exchange Products		

Impact to final rate due to user fee change

Base cost/(1-total retention) = Final rate

Original retention = 32.5% with user fees of 3.5%

Revised retention = 32.5%-3.5%+1.4%=30.4%

A=Original final rate = Base cost/(1-32.5%)

B=Revised final rate = Base cost/(1-30.4%)

Therefore, the change in final rate is B/A -1 = (1-32.5%)/(1-30.4%)-1=-3%

Related Objection 2

Comments: Under the Supporting Documents tab, we need you to upload your Area Factor supplement to the most current Act Memo. You can do this at the same time that you correct the user fee issue within the Act Memo. The supplement shows up in the previous version of the Act Memo, but needs to carry over to the most recent submission in the rate filing.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Response 3

Comments:

State:	Colorado	Filing Company:	BEST Life and Health Insurance Company
TOI/Sub-TOI:	H10I Individual Health - Dental/H10I.000 Health - Dental		
Product Name:	Stand Alone Dental - Individual Market		
Project Name/Number:	Rate Filing/Exchange Products		

The following six plans are listed in the binder

42891CO0020001 Pediatric High only

42891CO0020002 Pediatric Low only

42891CO0020003 Pediatric High + Supplemental High

42891CO0020004 Pediatric High + Supplemental Mid

42891CO0020005 Pediatric Low + Supplemental Mid

42891CO0020006 Pediatric Low + Supplemental Basic

Area factor for rating area 1 = 1.028014

42891CO0020001

Rate = \$49.69*1.028014=\$51.08 in age band 0-20 for children

42891CO0020002

Rate = \$39.50 *1.028014=\$40.61 in age band 0-20 for children

42891CO0020003

0-20 Rate = Pediatric high rate = \$51.08

Age 21 to 25 Rates = Age 19 to 26 Supplemental High Plan Rate*1.028014 = \$49.07*1.028014=\$50.45

Age 26 to 64 Rates = Age 26 to 65 Supplemental High Plan Rate*1.028014 = \$52.42*1.028014=\$53.89

Age 65 and Up Rates = Age 65 & Up Supplemental High Plan Rate*1.028014 = \$62.90*1.028014=\$64.67

42891CO0020004

0-20 Rate = Pediatric high rate = \$51.08

Age 21 to 25 Rates = Age 19 to 26 Supplemental Mid Plan Rate*1.028014 = \$40.79*1.028014=\$41.93

Age 26 to 64 Rates = Age 26 to 65 Supplemental Mid Plan Rate*1.028014 = \$43.58*1.028014=\$44.81

Age 65 and Up Rates = Age 65 & Up Supplemental Mid Plan Rate*1.028014 = \$52.30*1.028014=\$53.77

42891CO0020005

0-20 Rate = Pediatric Low rate = \$40.61

Age 21 to 25 Rates = Age 19 to 26 Supplemental Mid Plan Rate*1.028014 = \$40.79*1.028014=\$41.93

Age 26 to 64 Rates = Age 26 to 65 Supplemental Mid Plan Rate*1.028014 = \$43.58*1.028014=\$44.81

Age 65 and Up Rates = Age 65 & Up Supplemental Mid Plan Rate*1.028014 = \$52.30*1.028014=\$53.77

42891CO0020006

0-20 Rate = Pediatric Low rate = \$40.61

Age 21 to 25 Rates = Age 19 to 26 Supplemental Low Plan Rate*1.028014 = \$31.22*1.028014=\$32.09

Age 26 to 64 Rates = Age 26 to 65 Supplemental Low Plan Rate*1.028014 = \$33.35*1.028014=\$34.28

Age 65 and Up Rates = Age 65 & Up Supplemental Low Plan Rate*1.028014 = \$40.02*1.028014=\$41.15

Related Objection 3

SERFF Tracking #:	BLHI-129044443	State Tracking #:	278338	Company Tracking #:	CO RATE FILING
<hr/>					
State:	Colorado	Filing Company:	BEST Life and Health Insurance Company		
TOI/Sub-TOI:	H10I Individual Health - Dental/H10I.000 Health - Dental				
Product Name:	Stand Alone Dental - Individual Market				
Project Name/Number:	Rate Filing/Exchange Products				

Comments: In the rate manual, we ask that you include the plan ids of each of the plans that you mention. This will provide a clear crosswalk in comparing what is in the rate filing to what is reported in the binder filing.

Changed Items:

State:	Colorado	Filing Company:	BEST Life and Health Insurance Company
TOI/Sub-TOI:	H10I Individual Health - Dental/H10I.000 Health - Dental		
Product Name:	Stand Alone Dental - Individual Market		
Project Name/Number:	Rate Filing/Exchange Products		

Supporting Document Schedule Item Changes	
Satisfied - Item:	Actuarial Memorandum
Comments:	
Attachment(s):	Determination of Age Factors.pdf Actuarial Memorandum CO - Individual July 30 2013.pdf
<i>Previous Version</i>	
Satisfied - Item:	<i>Actuarial Memorandum</i>
Comments:	
Attachment(s):	<i>Actuarial Memorandum CO - Individual July 18 2013.pdf</i> <i>Determination of Age Factors.pdf</i>
<i>Previous Version</i>	
Satisfied - Item:	<i>Actuarial Memorandum</i>
Comments:	
Attachment(s):	<i>Actuarial Memorandum CO - Individual June 13 2013.pdf</i> <i>Experience exhibit.pdf</i> <i>Individual Pediatric Rates - CO 06142013.pdf</i> <i>Individual Supplemental Rates - CO 06142013.pdf</i> <i>Summary of Area Factors - CO 06142013.pdf</i>
<i>Previous Version</i>	
Satisfied - Item:	<i>Actuarial Memorandum</i>
Comments:	
Attachment(s):	<i>Actuarial Memorandum CO - Individual June 13 2013.pdf</i> <i>Experience exhibit.pdf</i> <i>Individual Pediatric Rates - CO 06142013.pdf</i> <i>Individual Supplemental Rates - CO 06142013.pdf</i>
<i>Previous Version</i>	
Satisfied - Item:	<i>Actuarial Memorandum</i>
Comments:	

SERFF Tracking #:	BLHI-129044443	State Tracking #:	278338	Company Tracking #:	CO RATE FILING
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State:	Colorado	Filing Company:	BEST Life and Health Insurance Company
TOI/Sub-TOI:	H10I Individual Health - Dental/H10I.000 Health - Dental		
Product Name:	Stand Alone Dental - Individual Market		
Project Name/Number:	Rate Filing/Exchange Products		

Attachment(s):	Actuarial Memorandum CO - Individual June 06 2013.pdf
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No Form Schedule items changed.

State:	Colorado	Filing Company:	BEST Life and Health Insurance Company
TOI/Sub-TOI:	H10I Individual Health - Dental/H10I.000 Health - Dental		
Product Name:	Stand Alone Dental - Individual Market		
Project Name/Number:	Rate Filing/Exchange Products		

Rate/Rule Schedule Item Changes						
Item No.	Document Name	Affected Form Numbers (Separated with commas)	Rate Action	Rate Action Information	Attachments	Date Submitted
1	PEDIATRIC RATE CALCULATIONS	IFD-PPO-POL-0113CO	New		Individual Pediatric Rates - CO 07302013.pdf,	07/30/2013 By: Margie Mergen
<i>Previous Version</i>						
1	PEDIATRIC RATE CALCULATIONS	GFD-IM-PPO-POL-0113CO	New		Individual Pediatric Rates - CO 06142013.pdf,	06/14/2013 By:
<i>Previous Version</i>						
1	PEDIATRIC RATE CALCULATIONS	GFD-IM-PPO-POL-0113CO	New		Individual Pediatric Rates - CO 06072013.pdf,	06/07/2013 By: Margie Mergen
<i>Previous Version</i>						
1	PEDIATRIC RATE CALCULATIONS	GFD-IM-PPO-POL-0113CO	New		Individual Pediatric Rates - CO 05242013.pdf,	05/28/2013 By: Margie Mergen
2	ADULT RATE CALCULATIONS	IFD-PPO-POL-0113CO	New		Individual Supplemental Rates - CO 07302013.pdf,	07/30/2013 By: Margie Mergen
<i>Previous Version</i>						
2	ADULT RATE CALCULATIONS	GFD-IM-PPO-POL-0113CO	New		Individual Supplemental Rates - CO 06142013.pdf,	06/14/2013 By:
<i>Previous Version</i>						

State:	Colorado	Filing Company:	BEST Life and Health Insurance Company
TOI/Sub-TOI:	H10I Individual Health - Dental/H10I.000 Health - Dental		
Product Name:	Stand Alone Dental - Individual Market		
Project Name/Number:	Rate Filing/Exchange Products		

Rate/Rule Schedule Item Changes						
2	ADULT RATE CALCULATIONS	GFD-IM-PPO-POL- 0113CO	New			06/07/2013 By: Margie Mergen
Previous Version						
2	ADULT RATE CALCULATIONS	GFD-IM-PPO-POL- 0113CO	New		Individual Supplemental Rates - CO 05242013.pdf,	05/28/2013 By: Margie Mergen

Conclusion:

In addition, we have repriced these plans to pay out of network at a maximum allowable charge. Changes to the forms to reflect this are pending.

Sincerely,

Margie Mergen

State:	Colorado	Filing Company:	BEST Life and Health Insurance Company
TOI/Sub-TOI:	H10I Individual Health - Dental/H10I.000 Health - Dental		
Product Name:	Stand Alone Dental - Individual Market		
Project Name/Number:	Rate Filing/Exchange Products		

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	07/18/2013
Submitted Date	07/18/2013

Dear Cathy Gilliland,

Introduction:

Response 1

Comments:

Please see the enclosed.

Related Objection 1

Applies To:

- Actuarial Memorandum (Supporting Document)

Comments: Comment: Your company's Actuarial Memorandum is not compliant with the current version of Colorado Regulation 4-2-11. EVERY item in Section 6 MUST be discussed. Also, it is now a requirement that the Actuarial Memorandum items MUST be presented in the order in which it is demonstrated in the regulation. Please review the current version of Colorado Regulation 4-2-11, found on our website, prior to submitting.

(I) discussion is missing

(J) discussion is missing

(K) discussion is missing

(L) discussion is missing

(M) discussion is missing

(N) discussion is missing

(O) discussion is missing

(P) discussion is missing

(Q) discussion is missing

(R) discussion is missing

Changed Items:

State:	Colorado	Filing Company:	BEST Life and Health Insurance Company
TOI/Sub-TOI:	H10I Individual Health - Dental/H10I.000 Health - Dental		
Product Name:	Stand Alone Dental - Individual Market		
Project Name/Number:	Rate Filing/Exchange Products		

Supporting Document Schedule Item Changes	
Satisfied - Item:	Actuarial Memorandum
Comments:	
Attachment(s):	Actuarial Memorandum CO - Individual July 18 2013.pdf Determination of Age Factors.pdf
<i>Previous Version</i>	
Satisfied - Item:	<i>Actuarial Memorandum</i>
Comments:	
Attachment(s):	<i>Actuarial Memorandum CO - Individual June 13 2013.pdf Experience exhibit.pdf Individual Pediatric Rates - CO 06142013.pdf Individual Supplemental Rates - CO 06142013.pdf Summary of Area Factors - CO 06142013.pdf</i>
<i>Previous Version</i>	
Satisfied - Item:	<i>Actuarial Memorandum</i>
Comments:	
Attachment(s):	<i>Actuarial Memorandum CO - Individual June 13 2013.pdf Experience exhibit.pdf Individual Pediatric Rates - CO 06142013.pdf Individual Supplemental Rates - CO 06142013.pdf</i>
<i>Previous Version</i>	
Satisfied - Item:	<i>Actuarial Memorandum</i>
Comments:	
Attachment(s):	<i>Actuarial Memorandum CO - Individual June 06 2013.pdf</i>

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

SERFF Tracking #:	BLHI-129044443	State Tracking #:	278338	Company Tracking #:	CO RATE FILING
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State:	Colorado	Filing Company:	BEST Life and Health Insurance Company
TOI/Sub-TOI:	H10I Individual Health - Dental/H10I.000 Health - Dental		
Product Name:	Stand Alone Dental - Individual Market		
Project Name/Number:	Rate Filing/Exchange Products		

Conclusion:

Sincerely,
Margie Mergen

State: Colorado **Filing Company:** BEST Life and Health Insurance Company
TOI/Sub-TOI: H10I Individual Health - Dental/H10I.000 Health - Dental
Product Name: Stand Alone Dental - Individual Market
Project Name/Number: Rate Filing/Exchange Products

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	07/19/2013
Submitted Date	07/19/2013

Dear Cathy Gilliland,

Introduction:

Response 1

Comments:

This response is included in our 7/18 response.

Related Objection 1

Applies To:

- Actuarial Memorandum (Supporting Document)

Comments: Please clarify if the 3.5% User fee rate load is the federal exchange user fee.

Colorado is a state based exchange, the COHBE User Fee is 1.4% for 2014.

Please provide the actuarial support for the admin and commission expenses, include financial data from current business and any other analysis used to set the 13.5% for administrative costs and the 10.0% for commissions.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Conclusion:

Sincerely,

Margie Mergen

State:	Colorado	Filing Company:	BEST Life and Health Insurance Company
TOI/Sub-TOI:	H10I Individual Health - Dental/H10I.000 Health - Dental		
Product Name:	Stand Alone Dental - Individual Market		
Project Name/Number:	Rate Filing/Exchange Products		

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	07/11/2013
Submitted Date	07/11/2013

Dear Cathy Gilliland,

Introduction:

Response 1

Comments:

Hello,

The rate template requires us to put the pediatric rates for children in the Age 0-20 row.

Rates for other age bands are not applicable as pediatric products are for children only and we used \$999999 to show that they are not real rates. The template also requires that the rates for the age bands are higher than the lower age bands, therefore putting down a rate slightly larger than the rate designated for rate band Age 0-20 could be misleading.

If there is a way around this, could you give us instructions on how you want the template to populated differently?

Related Objection 1

Comments: There are issues with your current rate data template. There are 11 tabs and some rates at an amount of \$9999.00. Please fix error and resubmit in the Template tab of the binder filing.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Conclusion:

Sincerely,

Margie Mergen

State:	Colorado	Filing Company:	BEST Life and Health Insurance Company
TOI/Sub-TOI:	H10I Individual Health - Dental/H10I.000 Health - Dental		
Product Name:	Stand Alone Dental - Individual Market		
Project Name/Number:	Rate Filing/Exchange Products		

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	06/21/2013
Submitted Date	06/21/2013

Dear Cathy Gilliland,

Introduction:

Response 1

Comments:

Done.

Related Objection 1

Applies To:

- Actuarial Memorandum (Supporting Document)

Comments: Please provide the summary of area factors.

Changed Items:

State:	Colorado	Filing Company:	BEST Life and Health Insurance Company
TOI/Sub-TOI:	H10I Individual Health - Dental/H10I.000 Health - Dental		
Product Name:	Stand Alone Dental - Individual Market		
Project Name/Number:	Rate Filing/Exchange Products		

Supporting Document Schedule Item Changes	
Satisfied - Item:	Actuarial Memorandum
Comments:	
Attachment(s):	Actuarial Memorandum CO - Individual June 13 2013.pdf Experience exhibit.pdf Individual Pediatric Rates - CO 06142013.pdf Individual Supplemental Rates - CO 06142013.pdf Summary of Area Factors - CO 06142013.pdf
<i>Previous Version</i>	
Satisfied - Item:	<i>Actuarial Memorandum</i>
Comments:	
Attachment(s):	<i>Actuarial Memorandum CO - Individual June 13 2013.pdf</i> <i>Experience exhibit.pdf</i> <i>Individual Pediatric Rates - CO 06142013.pdf</i> <i>Individual Supplemental Rates - CO 06142013.pdf</i>
<i>Previous Version</i>	
Satisfied - Item:	<i>Actuarial Memorandum</i>
Comments:	
Attachment(s):	<i>Actuarial Memorandum CO - Individual June 06 2013.pdf</i>

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Conclusion:

Sincerely,
Margie Mergen

State:	Colorado	Filing Company:	BEST Life and Health Insurance Company
TOI/Sub-TOI:	H10I Individual Health - Dental/H10I.000 Health - Dental		
Product Name:	Stand Alone Dental - Individual Market		
Project Name/Number:	Rate Filing/Exchange Products		

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	06/07/2013
Submitted Date	06/07/2013

Dear Cathy Gilliland,

Introduction:

Response 1

Comments:

Done through Post-Submission Update.

Related Objection 1

Comments: Please correct the requested filing mode to file and use.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Response 2

Comments:

Done.

Related Objection 2

Comments: Please attach the actuarial memorandum on the correct tab (supporting documentation)

Changed Items:

Supporting Document Schedule Item Changes	
Satisfied - Item:	Actuarial Memorandum
Comments:	
Attachment(s):	Actuarial Memorandum CO - Individual June 06 2013.pdf

State:	Colorado	Filing Company:	BEST Life and Health Insurance Company
TOI/Sub-TOI:	H10I Individual Health - Dental/H10I.000 Health - Dental		
Product Name:	Stand Alone Dental - Individual Market		
Project Name/Number:	Rate Filing/Exchange Products		

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Response 3

Comments:

Done, please refer to revised Actuarial Memo.

Related Objection 3

Applies To:

- ACTUARIAL MEMORANDUM, [GFD-IM-PPO-POL-0113CO] (Rate)

Comments: regulation 4-2-11 section 6 (A) 2 Requested Rate Action: The overall rate increase or decrease amount should be listed. Please provide if (0%)

Changed Items:

Supporting Document Schedule Item Changes	
Satisfied - Item:	Actuarial Memorandum
Comments:	
Attachment(s):	Actuarial Memorandum CO - Individual June 06 2013.pdf

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Response 4

Comments:

Please refer to the revised Actuarial Memo on the Supporting Documentation Tab.

Related Objection 4

Applies To:

- ACTUARIAL MEMORANDUM, [GFD-IM-PPO-POL-0113CO] (Rate)

Comments: Regulation 4-2-11 section 6 (A) 3 Marketing method(s): A brief description of the marketing method used for the filed form should be listed.

Changed Items:

State:	Colorado	Filing Company:	BEST Life and Health Insurance Company
TOI/Sub-TOI:	H10I Individual Health - Dental/H10I.000 Health - Dental		
Product Name:	Stand Alone Dental - Individual Market		
Project Name/Number:	Rate Filing/Exchange Products		

Supporting Document Schedule Item Changes	
Satisfied - Item:	Actuarial Memorandum
Comments:	
Attachment(s):	Actuarial Memorandum CO - Individual June 06 2013.pdf

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Response 5

Comments:

Please refer to the revised Actuarial Memo on the Supporting Documentation Tab.

Related Objection 5

Applies To:

- ACTUARIAL MEMORANDUM, [GFD-IM-PPO-POL-0113CO] (Rate)

Comments: Regulation 4-2-11 section 6 (B) Assumption, Acquisition or Merger: The memorandum must state whether or not the products included in the rate filing were part of an assumption, acquisition or merger of policies from/with another carrier. If so, then the memorandum must include the full name of the carrier/carriers from which the policies were assumed, acquired or merged, and the closing date of assumption, acquisition or merger.

Changed Items:

Supporting Document Schedule Item Changes	
Satisfied - Item:	Actuarial Memorandum
Comments:	
Attachment(s):	Actuarial Memorandum CO - Individual June 06 2013.pdf

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Response 6

Comments:

Please refer to the revised Actuarial Memo on the Supporting Documentation Tab.

State:	Colorado	Filing Company:	BEST Life and Health Insurance Company
TOI/Sub-TOI:	H10I Individual Health - Dental/H10I.000 Health - Dental		
Product Name:	Stand Alone Dental - Individual Market		
Project Name/Number:	Rate Filing/Exchange Products		

Related Objection 6

Applies To:

- ACTUARIAL MEMORANDUM, [GFD-IM-PPO-POL-0113CO] (Rate)

Comments: Regulation 4-2-11 (C) Rating Period: If the length of the rating period is not clearly identified, it will be assumed to be for twelve months, starting from the proposed implementation date.

Changed Items:

Supporting Document Schedule Item Changes	
Satisfied - Item:	Actuarial Memorandum
Comments:	
Attachment(s):	Actuarial Memorandum CO - Individual June 06 2013.pdf

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Response 7

Comments:

Please refer to the revised Actuarial Memo on the Supporting Documentation Tab.

Related Objection 7

Applies To:

- ACTUARIAL MEMORANDUM, [GFD-IM-PPO-POL-0113CO] (Rate)

Comments: Your company's Actuarial Memorandum is not compliant with the current version of Colorado Regulation 4-2-11. EVERY item in Section 6 MUST be discussed. Also, it is now a requirement that the Actuarial Memorandum items MUST be presented in the order in which it is demonstrated in the regulation. Please review the current version of Colorado Regulation 4-2-11, found on our website, prior to submitting.

Changed Items:

State:	Colorado	Filing Company:	BEST Life and Health Insurance Company
TOI/Sub-TOI:	H10I Individual Health - Dental/H10I.000 Health - Dental		
Product Name:	Stand Alone Dental - Individual Market		
Project Name/Number:	Rate Filing/Exchange Products		

Supporting Document Schedule Item Changes	
Satisfied - Item:	Actuarial Memorandum
Comments:	
Attachment(s):	Actuarial Memorandum CO - Individual June 06 2013.pdf

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Response 8

Comments:

Please refer to the revised Actuarial Memo on the Supporting Documentation Tab.

Related Objection 8

Applies To:

- ACTUARIAL MEMORANDUM, [GFD-IM-PPO-POL-0113CO] (Rate)

Comments: Regulation 4-2-11 Please provide all of Regulation 4-2-11 from (E) through (R)

Changed Items:

Supporting Document Schedule Item Changes	
Satisfied - Item:	Actuarial Memorandum
Comments:	
Attachment(s):	Actuarial Memorandum CO - Individual June 06 2013.pdf

No Form Schedule items changed.

State: Colorado Filing Company: BEST Life and Health Insurance Company
 TOI/Sub-TOI: H10I Individual Health - Dental/H10I.000 Health - Dental
 Product Name: Stand Alone Dental - Individual Market
 Project Name/Number: Rate Filing/Exchange Products

Rate/Rule Schedule Item Changes						
Item No.	Document Name	Affected Form Numbers (Separated with commas)	Rate Action	Rate Action Information	Attachments	Date Submitted
1	ACTUARIAL MEMORANDUM		New			06/07/2013 By: Margie Mergen
<i>Previous Version</i>						
1	ACTUARIAL MEMORANDUM	GFD-IM-PPO-POL-0113CO	New		Actuarial Memorandum CO - Individual May 24 2013.pdf,	05/28/2013 By: Margie Mergen
2	PEDIATRIC RATE CALCULATIONS	GFD-IM-PPO-POL-0113CO	New		Individual Pediatric Rates - CO 06072013.pdf,	06/07/2013 By: Margie Mergen
<i>Previous Version</i>						
2	PEDIATRIC RATE CALCULATIONS	GFD-IM-PPO-POL-0113CO	New		Individual Pediatric Rates - CO 05242013.pdf,	05/28/2013 By: Margie Mergen
3	ADULT RATE CALCULATIONS	GFD-IM-PPO-POL-0113CO	New			06/07/2013 By: Margie Mergen
<i>Previous Version</i>						
3	ADULT RATE CALCULATIONS	GFD-IM-PPO-POL-0113CO	New		Individual Supplemental Rates - CO 05242013.pdf,	05/28/2013 By: Margie Mergen

Response 9

Comments:

Done through post-submission update.

Related Objection 9

State:	Colorado	Filing Company:	BEST Life and Health Insurance Company
TOI/Sub-TOI:	H10I Individual Health - Dental/H10I.000 Health - Dental		
Product Name:	Stand Alone Dental - Individual Market		
Project Name/Number:	Rate Filing/Exchange Products		

Comments: Please remove prior rate information on the rate/rule schedule as this is a new filing.

Upon Approval

Rate Change Type: Neutral

Overall Percentage of Last Rate Revision: 0.000 %

Effective Date of Last Rate Revision: 01/01/2014

Filing Method of Last Filing: New product

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Response 10

Comments:

Will do.

Related Objection 10

Comments: Please refer to Plan Management on SERFF for stand alone dental filings. Stand Alone dental filing procedures are on DOI's website.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Conclusion:

Sincerely,
Margie Mergen

State: Colorado **Filing Company:** BEST Life and Health Insurance Company
TOI/Sub-TOI: H10I Individual Health - Dental/H10I.000 Health - Dental
Product Name: Stand Alone Dental - Individual Market
Project Name/Number: Rate Filing/Exchange Products

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	05/31/2013
Submitted Date	05/31/2013

Dear Cathy Gilliland,

Introduction:

Response 1

Comments:

The Binder is not ready yet. It is our understanding that we have until June 14 to submit it. If this is not so, please let us know and we will do what we can to get it submitted on time.

Thank you.

Related Objection 1

Comments: Please provide the binder and binder # for this filing on the exchange.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Conclusion:

Sincerely,

Margie Mergen

SERFF Tracking #:	BLHI-129044443	State Tracking #:	278338	Company Tracking #:	CO RATE FILING
<hr/>					
State:	Colorado	Filing Company:	BEST Life and Health Insurance Company		
TOI/Sub-TOI:	H10I Individual Health - Dental/H10I.000 Health - Dental				
Product Name:	Stand Alone Dental - Individual Market				
Project Name/Number:	Rate Filing/Exchange Products				

Amendment Letter

Submitted Date: 08/05/2013

Comments:

As discussed, the rates and actuarial memorandum has been revised for plans that reimburse out-of-network services at the 80th percentile of UCR, and with no wait on medically necessary orthodontia.

Changed Items:

State: Colorado Filing Company: BEST Life and Health Insurance Company
 TOI/Sub-TOI: H10I Individual Health - Dental/H10I.000 Health - Dental
 Product Name: Stand Alone Dental - Individual Market
 Project Name/Number: Rate Filing/Exchange Products

Form Schedule Item Changes								
Item No.	Form Name	Form Number	Form Type	Form Action	Action Specific Data	Readability Score	Attachments	Submitted
1	Individual Policy	IFD-PPO-POL-0113CO	POL	Initial		43.500		Date Submitted: 08/05/2013 By:
Previous Version								
1	Association Policy	GFD-IM-PPO-POL-0113CO	POL	Initial		43.500		Date Submitted: 05/28/2013 By: Margie Mergen
2	Outline of Coverage	IFD-PPO-OC-0113CO	OUT	Initial		43.500		Date Submitted: 08/05/2013 By:
Previous Version								
2	Certificate of Insurance	GFD-IM-PPO-CERT-0113CO	CER	Initial		43.500		Date Submitted: 05/28/2013 By: Margie Mergen
3	Statement of Variability	IFD-PPO-SOV-0113CO	MTX	Initial				Date Submitted: 08/05/2013 By:
Previous Version								
3	Statement of Variability	GFD-IM-PPO-SOV-0113CO	MTX	Initial				Date Submitted: 05/28/2013 By: Margie Mergen

State: Colorado Filing Company: BEST Life and Health Insurance Company
 TOI/Sub-TOI: H10I Individual Health - Dental/H10I.000 Health - Dental
 Product Name: Stand Alone Dental - Individual Market
 Project Name/Number: Rate Filing/Exchange Products

Rate/Rule Schedule Item Changes						
Item No.	Document Name	Affected Form Numbers (Separated with commas)	Rate Action	Rate Action Information	Attachments	Date Submitted
1	PEDIATRIC RATE CALCULATIONS	IFD-PPO-POL-0113CO	New		Individual Pediatric Rates - CO 08022013.pdf,	08/05/2013 By:
Previous Version						
1	PEDIATRIC RATE CALCULATIONS	IFD-PPO-POL-0113CO	New		Individual Pediatric Rates - CO 07302013.pdf,	07/30/2013 By: Margie Mergen
Previous Version						
1	PEDIATRIC RATE CALCULATIONS	GFD-IM-PPO-POL-0113CO	New		Individual Pediatric Rates - CO 06142013.pdf,	06/14/2013 By:
Previous Version						
1	PEDIATRIC RATE CALCULATIONS	GFD-IM-PPO-POL-0113CO	New		Individual Pediatric Rates - CO 06072013.pdf,	06/07/2013 By: Margie Mergen
Previous Version						
1	PEDIATRIC RATE CALCULATIONS	GFD-IM-PPO-POL-0113CO	New		Individual Pediatric Rates - CO 05242013.pdf,	05/28/2013 By: Margie Mergen
2	ADULT RATE CALCULATIONS	IFD-PPO-POL-0113CO	New		Individual Supplemental Rates - CO 08022013.pdf,	08/05/2013 By:
Previous Version						

State:	Colorado	Filing Company:	BEST Life and Health Insurance Company
TOI/Sub-TOI:	H10I Individual Health - Dental/H10I.000 Health - Dental		
Product Name:	Stand Alone Dental - Individual Market		
Project Name/Number:	Rate Filing/Exchange Products		

Rate/Rule Schedule Item Changes						
2	ADULT RATE CALCULATIONS	IFD-PPO-POL- 0113CO	New		Individual Supplemental Rates - CO 07302013.pdf,	07/30/2013 By: Margie Mergen
Previous Version						
2	ADULT RATE CALCULATIONS	GFD-IM-PPO-POL- 0113CO	New		Individual Supplemental Rates - CO 06142013.pdf,	06/14/2013 By:
Previous Version						
2	ADULT RATE CALCULATIONS	GFD-IM-PPO-POL- 0113CO	New			06/07/2013 By: Margie Mergen
Previous Version						
2	ADULT RATE CALCULATIONS	GFD-IM-PPO-POL- 0113CO	New		Individual Supplemental Rates - CO 05242013.pdf,	05/28/2013 By: Margie Mergen

State:	Colorado	Filing Company:	BEST Life and Health Insurance Company
TOI/Sub-TOI:	H10I Individual Health - Dental/H10I.000 Health - Dental		
Product Name:	Stand Alone Dental - Individual Market		
Project Name/Number:	Rate Filing/Exchange Products		

Supporting Document Schedule Item Changes	
Satisfied - Item:	Actuarial Memorandum
Comments:	
Attachment(s):	Summary of Area Factors - CO 08022013.pdf Actuarial Memorandum CO - Individual August 02 2013.pdf
<i>Previous Version</i>	
Satisfied - Item:	<i>Actuarial Memorandum</i>
Comments:	
Attachment(s):	<i>Determination of Age Factors.pdf</i> <i>Actuarial Memorandum CO - Individual July 30 2013.pdf</i> <i>Summary of Area Factors - CO 07302013.pdf</i>
<i>Previous Version</i>	
Satisfied - Item:	<i>Actuarial Memorandum</i>
Comments:	
Attachment(s):	<i>Determination of Age Factors.pdf</i> <i>Actuarial Memorandum CO - Individual July 30 2013.pdf</i>
<i>Previous Version</i>	
Satisfied - Item:	<i>Actuarial Memorandum</i>
Comments:	
Attachment(s):	<i>Actuarial Memorandum CO - Individual July 18 2013.pdf</i> <i>Determination of Age Factors.pdf</i>
<i>Previous Version</i>	
Satisfied - Item:	<i>Actuarial Memorandum</i>
Comments:	

State:	Colorado	Filing Company:	BEST Life and Health Insurance Company
TOI/Sub-TOI:	H10I Individual Health - Dental/H10I.000 Health - Dental		
Product Name:	Stand Alone Dental - Individual Market		
Project Name/Number:	Rate Filing/Exchange Products		

Attachment(s):	<i>Actuarial Memorandum CO - Individual June 13 2013.pdf</i> <i>Experience exhibit.pdf</i> <i>Individual Pediatric Rates - CO 06142013.pdf</i> <i>Individual Supplemental Rates - CO 06142013.pdf</i> <i>Summary of Area Factors - CO 06142013.pdf</i>
<i>Previous Version</i>	
Satisfied - Item:	<i>Actuarial Memorandum</i>
Comments:	
Attachment(s):	<i>Actuarial Memorandum CO - Individual June 13 2013.pdf</i> <i>Experience exhibit.pdf</i> <i>Individual Pediatric Rates - CO 06142013.pdf</i> <i>Individual Supplemental Rates - CO 06142013.pdf</i>
<i>Previous Version</i>	
Satisfied - Item:	<i>Actuarial Memorandum</i>
Comments:	
Attachment(s):	<i>Actuarial Memorandum CO - Individual June 06 2013.pdf</i>

Satisfied - Item:	Individual Rule Manual
Comments:	
Attachment(s):	Individual Rule Manual - CO 08022013.pdf Individual Rule Manual - CO 08022013.xlsx
<i>Previous Version</i>	
Satisfied - Item:	<i>Requested information</i>
Comments:	

State:	Colorado	Filing Company:	BEST Life and Health Insurance Company
TOI/Sub-TOI:	H10I Individual Health - Dental/H10I.000 Health - Dental		
Product Name:	Stand Alone Dental - Individual Market		
Project Name/Number:	Rate Filing/Exchange Products		

Attachment(s):	<i>Rule Manual - CO 07312013.pdf</i> <i>Rule Manual - CO 07312013.xlsx</i> <i>Group size factor.pdf</i>
<i>Previous Version</i>	
Satisfied - Item:	<i>Requested information</i>
Comments:	
Attachment(s):	<i>Rule Manual - CO 07312013.pdf</i> <i>Rule Manual - CO 07312013.xlsx</i> <i>Summary of Area Factors - CO 07302013.pdf</i> <i>Group size factor.pdf</i>
<i>Previous Version</i>	
Satisfied - Item:	<i>Requested information</i>
Comments:	
Attachment(s):	<i>Rule Manual - CO 07312013.pdf</i> <i>Rule Manual - CO 07312013.xlsx</i>

State:	Colorado	Filing Company:	BEST Life and Health Insurance Company
TOI/Sub-TOI:	H10I Individual Health - Dental/H10I.000 Health - Dental		
Product Name:	Stand Alone Dental - Individual Market		
Project Name/Number:	Rate Filing/Exchange Products		

Amendment Letter

Submitted Date: 07/31/2013

Comments:

group size factor and area factors included.

Changed Items:

No Form Schedule Items Changed.

No Rate Schedule Items Changed.

Supporting Document Schedule Item Changes	
Satisfied - Item:	Requested information
Comments:	
Attachment(s):	Rule Manual - CO 07312013.pdf Rule Manual - CO 07312013.xlsx Summary of Area Factors - CO 07302013.pdf Group size factor.pdf
Previous Version	
Satisfied - Item:	Requested information
Comments:	
Attachment(s):	Rule Manual - CO 07312013.pdf Rule Manual - CO 07312013.xlsx

State:	Colorado	Filing Company:	BEST Life and Health Insurance Company
TOI/Sub-TOI:	H10I Individual Health - Dental/H10I.000 Health - Dental		
Product Name:	Stand Alone Dental - Individual Market		
Project Name/Number:	Rate Filing/Exchange Products		

Amendment Letter

Submitted Date: 07/31/2013

Comments:

The requested Rate manuals are attached.

Changed Items:

No Form Schedule Items Changed.

No Rate Schedule Items Changed.

Supporting Document Schedule Item Changes	
Satisfied - Item:	Requested information
Comments:	
Attachment(s):	Rule Manual - CO 07312013.pdf Rule Manual - CO 07312013.xlsx

SERFF Tracking #:	BLHI-129044443	State Tracking #:	278338	Company Tracking #:	CO RATE FILING
<hr/>					
State:	Colorado	Filing Company:	BEST Life and Health Insurance Company		
TOI/Sub-TOI:	H10I Individual Health - Dental/H10I.000 Health - Dental				
Product Name:	Stand Alone Dental - Individual Market				
Project Name/Number:	Rate Filing/Exchange Products				

Amendment Letter

Submitted Date: 06/14/2013

Comments:

We received notification that the rates must be guaranteed. We have revised our rating methodology to meet this and the per head pricing requirement for the exchange.

Changed Items:

No Form Schedule Items Changed.

State: Colorado Filing Company: BEST Life and Health Insurance Company
 TOI/Sub-TOI: H10I Individual Health - Dental/H10I.000 Health - Dental
 Product Name: Stand Alone Dental - Individual Market
 Project Name/Number: Rate Filing/Exchange Products

Rate/Rule Schedule Item Changes						
Item No.	Document Name	Affected Form Numbers (Separated with commas)	Rate Action	Rate Action Information	Attachments	Date Submitted
1	ACTUARIAL MEMORANDUM		New			06/14/2013 By:
<i>Previous Version</i>						
1	ACTUARIAL MEMORANDUM		New			06/07/2013 By: Margie Mergen
<i>Previous Version</i>						
1	ACTUARIAL MEMORANDUM	GFD-IM-PPO-POL-0113CO	New		Actuarial Memorandum CO - Individual May 24 2013.pdf,	05/28/2013 By: Margie Mergen
2	PEDIATRIC RATE CALCULATIONS	GFD-IM-PPO-POL-0113CO	New		Individual Pediatric Rates - CO 06142013.pdf,	06/14/2013 By:
<i>Previous Version</i>						
2	PEDIATRIC RATE CALCULATIONS	GFD-IM-PPO-POL-0113CO	New		Individual Pediatric Rates - CO 06072013.pdf,	06/07/2013 By: Margie Mergen
<i>Previous Version</i>						
2	PEDIATRIC RATE CALCULATIONS	GFD-IM-PPO-POL-0113CO	New		Individual Pediatric Rates - CO 05242013.pdf,	05/28/2013 By: Margie Mergen
3	ADULT RATE CALCULATIONS	GFD-IM-PPO-POL-0113CO	New		Individual Supplemental Rates - CO 06142013.pdf,	06/14/2013 By:

State:	Colorado	Filing Company:	BEST Life and Health Insurance Company
TOI/Sub-TOI:	H10I Individual Health - Dental/H10I.000 Health - Dental		
Product Name:	Stand Alone Dental - Individual Market		
Project Name/Number:	Rate Filing/Exchange Products		

Rate/Rule Schedule Item Changes						
<i>Previous Version</i>						
3	ADULT RATE CALCULATIONS	GFD-IM-PPO-POL- 0113CO	New			06/07/2013 By: Margie Mergen
<i>Previous Version</i>						
3	ADULT RATE CALCULATIONS	GFD-IM-PPO-POL- 0113CO	New		Individual Supplemental Rates - CO 05242013.pdf,	05/28/2013 By: Margie Mergen

Supporting Document Schedule Item Changes	
Satisfied - Item:	Actuarial Memorandum
Comments:	
Attachment(s):	Actuarial Memorandum CO - Individual June 13 2013.pdf Experience exhibit.pdf Individual Pediatric Rates - CO 06142013.pdf Individual Supplemental Rates - CO 06142013.pdf
<i>Previous Version</i>	
Satisfied - Item:	Actuarial Memorandum
Comments:	
Attachment(s):	Actuarial Memorandum CO - Individual June 06 2013.pdf

State: Colorado **Filing Company:** BEST Life and Health Insurance Company
TOI/Sub-TOI: H10I Individual Health - Dental/H10I.000 Health - Dental
Product Name: Stand Alone Dental - Individual Market
Project Name/Number: Rate Filing/Exchange Products

Post Submission Update Request Processed On 06/14/2013

Status: Allowed
Created By: Margie Mergen
Processed By: Cathy Gilliland
Comments:

General Information:

Field Name	Requested Change	Prior Value
Requested Filing Mode	File & Use	Review & Approval

Rate Information:

Field Name	Requested Change	Prior Value
Rate Data Applies	No	Yes
Filing Method		Prior Approval
Rate Change Type		Neutral
Overall Pct. of Last Revision		0.000%
Effective Date of Last revision		01/01/2014
Filing Method of Last Filing		New Product

Company Rate Information:

Company Name: BEST Life and Health Insurance Company

Field Name	Requested Change	Prior Value
Overall % Indicated Change		0.000%
Overall % Rate Impact		0.000%
Written Premium Change for this Program		\$0
# of Policy Holders Affected for this Program		0
Written Premium for this Program		\$0
Maximum %Change (where required)		0.000%
Minimum %Change (where required)		0.000%

State:	Colorado	Filing Company:	BEST Life and Health Insurance Company
TOI/Sub-TOI:	H10I Individual Health - Dental/H10I.000 Health - Dental		
Product Name:	Stand Alone Dental - Individual Market		
Project Name/Number:	Rate Filing/Exchange Products		

Form Schedule

Lead Form Number: GFD-IM-PPO-POL-0113CO								
Item No.	Schedule Item Status	Form Name	Form Number	Form Type	Form Action	Action Specific Data	Readability Score	Attachments
1		Individual Policy	IFD-PPO-POL-0113CO	POL	Initial		43.500	
2		Outline of Coverage	IFD-PPO-OC-0113CO	OUT	Initial		43.500	
3		Statement of Variability	IFD-PPO-SOV-0113CO	MTX	Initial			

Form Type Legend:

ADV	Advertising	AEF	Application/Enrollment Form
CER	Certificate	CERA	Certificate Amendment, Insert Page, Endorsement or Rider
DDP	Data/Declaration Pages	FND	Funding Agreement (Annuity, Individual and Group)
MTX	Matrix	NOC	Notice of Coverage
OTH	Other	OUT	Outline of Coverage
PJK	Policy Jacket	POL	Policy/Contract/Fraternal Certificate
POLA	Policy/Contract/Fraternal Certificate: Amendment, Insert Page, Endorsement or Rider	SCH	Schedule Pages

State:	Colorado	Filing Company:	BEST Life and Health Insurance Company
TOI/Sub-TOI:	H10I Individual Health - Dental/H10I.000 Health - Dental		
Product Name:	Stand Alone Dental - Individual Market		
Project Name/Number:	Rate Filing/Exchange Products		

Rate/Rule Schedule

Item No.	Schedule Item Status	Document Name	Affected Form Numbers (Separated with commas)	Rate Action	Rate Action Information	Attachments
1		ACTUARIAL MEMORANDUM		New		
2		PEDIATRIC RATE CALCULATIONS	IFD-PPO-POL-0113CO	New		Individual Pediatric Rates - CO 08022013.pdf,
3		ADULT RATE CALCULATIONS	IFD-PPO-POL-0113CO	New		Individual Supplemental Rates - CO 08022013.pdf,
4		AREA FACTORS	IFD-PPO-POL-0113CO	New		Summary of Area Factors - CO 08022013.pdf,

Colorado Health Insurance Exchange Rate Filing

Individual Dental - Essential Pediatric Plans

High Plan - Actuarial Value 85%	Low Plan - Actuarial Value 70%
Per Child*	Per Child*

Base Cost	\$ 40.58	\$ 29.73
Trend	1.09	1.09
State factor	0.95	0.95
Net Cost	\$ 41.92	\$ 30.72

Administrative	13.50%	13.50%
Premium Tax	2.00%	2.00%
User Fees**	1.40%	1.40%
Broker Commission	10.00%	10.00%
Profit	3.50%	3.50%

Target Loss Ratio	69.60%	69.60%
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Base Rate**	\$ 60.234499	\$ 44.130854
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* Children to age 19 are eligible to enroll on the Pediatric Dental Plans.

** COHBE User fees of 1.4% imposed by the Department of Health and Human Services are included.

** Apply area factors from Summary of Area Factors to determine rates by different rating areas.

Colorado Health Insurance Exchange Rate Filing

Individual Dental - Supplemental Plans

High Plan	Mid Plan	Basic Plan
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Base Cost	\$ 44.15	\$ 36.71	\$ 28.08
Trend	1.09	1.09	1.09
State factor	0.95	0.95	0.95
Net Cost	\$ 45.61	\$ 37.92	\$ 29.01

Administrative	13.50%	13.50%	13.50%
Premium Tax	2.00%	2.00%	2.00%
User Fees*	1.40%	1.40%	1.40%
Broker Commission	10.00%	10.00%	10.00%
Profit	3.50%	3.50%	3.50%

Target Loss Ratio	69.60%	69.60%	69.60%
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Rate	\$ 65.53	\$ 54.48	\$ 41.68
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Base Rate Per Individual***

Age 19 to 26**	\$ 61.333934	\$ 50.993966	\$ 39.014558
Age 26 to 65	\$ 65.527707	\$ 54.480733	\$ 41.682220
Age 65 and Up	\$ 78.633248	\$ 65.376880	\$ 50.018664

* COHBE User fees of 1.4% imposed by the Department of Health and Human Services are included.

** Adults and child dependents ages 19 to 26 are eligible to enroll on the Supplemental Dental Plans.

*** Apply area factors from Summary of Area Factors to determine rates by different rating areas.

Colorado Health Insurance Exchange Rate Filing

Summary of Area Factors

Area Factor

Rating Area 1	1.028014
Rating Area 2	0.997120
Rating Area 3	1.024020
Rating Area 4	1.022539
Rating Area 5	0.887412
Rating Area 6	0.985311
Rating Area 7	1.004062
Rating Area 8	0.946312
Rating Area 9	0.983770
Rating Area 10	0.914721
Rating Area 11	0.950223

State:	Colorado	Filing Company:	BEST Life and Health Insurance Company
TOI/Sub-TOI:	H10I Individual Health - Dental/H10I.000 Health - Dental		
Product Name:	Stand Alone Dental - Individual Market		
Project Name/Number:	Rate Filing/Exchange Products		

Supporting Document Schedules

Satisfied - Item:	HR-1 Form (H)
Comments:	
Attachment(s):	Form HR-1_Individual.pdf
Item Status:	
Status Date:	

Satisfied - Item:	Actuarial Memorandum
Comments:	
Attachment(s):	Summary of Area Factors - CO 08022013.pdf Actuarial Memorandum CO - Individual August 02 2013.pdf
Item Status:	
Status Date:	

Satisfied - Item:	Individual Rule Manual
Comments:	
Attachment(s):	Individual Rule Manual - CO 08022013.pdf Individual Rule Manual - CO 08022013.xlsx
Item Status:	
Status Date:	

Satisfied - Item:	Milliman Report
Comments:	
Attachment(s):	Milliman report.pdf
Item Status:	
Status Date:	

SERFF Tracking #:	BLHI-129044443	State Tracking #:	278338	Company Tracking #:	CO RATE FILING
State:	Colorado	Filing Company:	BEST Life and Health Insurance Company		
TOI/Sub-TOI:	H10I Individual Health - Dental/H10I.000 Health - Dental				
Product Name:	Stand Alone Dental - Individual Market				
Project Name/Number:	Rate Filing/Exchange Products				

Attachment Individual Rule Manual - CO 08022013.xlsx is not a PDF document and cannot be reproduced here.

State Of Colorado
Health Rate Filing Form
Form HR-1

Reset Form

Must Be Completed For All Products		SERFF FILING #
1. Company: BEST Life and Health Insurance Company		
2. Person Responsible For Filing: Margie Mergen	3. Title: Compliance Analyst	
4. Address Of Responsible Person: 2505 McCabe Way,	5. Telephone #: (800) 433-0088 ext. 226	
6. Email Address: mmergen@bestlife.com		
7. Type Of Coverage: PPO Other : Dental		
8. Medicare Supplement: N/A Not Applicable <input checked="" type="checkbox"/>		
(1) Prestandardized Plan(s): (2) Standardized Plan(s): <input type="checkbox"/> A <input type="checkbox"/> B <input type="checkbox"/> C <input type="checkbox"/> D <input type="checkbox"/> E <input type="checkbox"/> F <input type="checkbox"/> FHD <input type="checkbox"/> G <input type="checkbox"/> H <input type="checkbox"/> I <input type="checkbox"/> J <input type="checkbox"/> JHD <input type="checkbox"/> K <input type="checkbox"/> L (3) 2010 Plans: <input type="checkbox"/> A <input type="checkbox"/> B <input type="checkbox"/> C <input type="checkbox"/> D <input type="checkbox"/> F <input type="checkbox"/> FHD <input type="checkbox"/> G <input type="checkbox"/> K <input type="checkbox"/> L <input type="checkbox"/> M <input type="checkbox"/> N		
9. Sub Category: Individual		
10. A. Group Information: Association Select One Select One Select One B. Name of association or trust (<i>if applicable</i>): BEST Employer Association C. Description of discretionary group(<i>if applicable</i>):		
11. Colorado State Code(s): 850 Individual 760 Prior Approval- HB 08-1389 <div style="display: flex; justify-content: space-between; font-size: small;"> Select One Select One Select One </div>		
12. Brief Filing Description (Disability, Major Medical, LTC, Etc. Also Describe All Methodology Changes.): <div style="text-align: center; color: red; font-weight: bold; margin-top: 10px;">Stand alone dental PPO for Colorado Exchange, Individual Market.</div>		
13. Reason For Filing: <div style="margin-left: 20px;"> Increase In Benefits? Reduction In Benefits? Increase in Profits? Change Needed To Meet Projected Losses? Trend Only? Change In Rating Methodology? New Product (Initial Offering As Opposed To Rate Revision)? Other? (If other, please explain) </div>	<div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <input type="checkbox"/> Yes <input type="checkbox"/> Yes <input type="checkbox"/> Yes <input type="checkbox"/> Yes <input type="checkbox"/> Yes <input type="checkbox"/> Yes <input checked="" type="checkbox"/> Yes <input type="checkbox"/> Yes </div> <div style="width: 45%;"> <input checked="" type="checkbox"/> No <input checked="" type="checkbox"/> No <input checked="" type="checkbox"/> No <input checked="" type="checkbox"/> No <input checked="" type="checkbox"/> No <input checked="" type="checkbox"/> No <input type="checkbox"/> No <input checked="" type="checkbox"/> No </div> </div>	
14. Policy Form(s) Affected: GFD-IM-PPO-POL-0113UT, GFD-IM-PPO-CERT-0113-UT		

15. If Rider Or Endorsement, Type Of Benefits?		
16. Closed Block(s)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Date Block Closed:		
17. Number Of Colorado Covered Lives (Including Employees And Dependents): 0		
18. A. Rating Period: Annual From 1/1/2014 To 1/1/2015 B. Experience Period: From To C. Reason for Rate Change: D. Average Change In Rates From One Year Prior To Effective Date:		<input checked="" type="checkbox"/> N/A (New Product)
19. A. Rate Change Without Trend: B. Trend for Rating Period (if trend factor is used in rates): C. Overall Rate Impact Change:		
20. A. Current Underlying Annualized Trend Assumption (If Applicable): B. Requested Underlying <i>Annualized</i> Trend Assumption (If Applicable):		
21. A. What Is The Maximum Rate Change That Can Affect A Policyholder? B. What Is The Minimum Rate Change That Can Affect A Policyholder? (If the selected rate change differs from the indicated rate change, please fully detail in the actuarial memorandum in section 6K.)		
Benefits Ratios (On Colorado only basis)		
22. A. Targeted Benefits Ratio over Rating Period (assumed in calculation of rates):		
B. Actual Benefits Ratio over Experience Period:		<input checked="" type="checkbox"/> N/A (New Product)
23. A. Projected Benefits Ratio With Rate Change over Rating Period B. Projected Benefits Ratio Without Rate Change over Rating Period	<input type="checkbox"/> Colorado <input type="checkbox"/> Colorado/Nationwide <input type="checkbox"/> Nationwide Basis	<input checked="" type="checkbox"/> N/A (New Product)
(If projected benefits ratios on a Colorado only basis are not available, then ratios developed on a blended Colorado/Nationwide or Nationwide basis are acceptable. Please indicate above.)		
24. Proposed Effective Date:		
25. A. Total Annual Colorado Written Premium Before Change(s): \$ B. Total Annual Colorado Written Premium After Change(s): \$ C. Written Premium Change For This Product (Net Change): \$		<input checked="" type="checkbox"/> N/A (New Product)
26. A. Effective Date of Previous Rate Filing for this Form (including initial filing): B. Previous SERFF Filing Number(s): C. Overall Percentage of Last Rate Change for Affected Policy Forms:		<input checked="" type="checkbox"/> N/A (New Product)
27. Experience Provided: <input type="checkbox"/> Nationwide <input type="checkbox"/> Colorado Select One <input type="checkbox"/> other (specify)		<input checked="" type="checkbox"/> N/A (New Product)
28. Small Group Filings Only: Unique Single Index Rate (Effective For All Small Group Plans):		

Colorado Health Insurance Exchange Rate Filing

Summary of Area Factors

Area Factor

Rating Area 1	1.028014
Rating Area 2	0.997120
Rating Area 3	1.024020
Rating Area 4	1.022539
Rating Area 5	0.887412
Rating Area 6	0.985311
Rating Area 7	1.004062
Rating Area 8	0.946312
Rating Area 9	0.983770
Rating Area 10	0.914721
Rating Area 11	0.950223

Actuarial Memorandum

A Summary

1. Reason(s) for the rate filing

This is a new PPO product rate filing to satisfy the Stand-Alone Supplemental and Pediatric Dental Plans Rate Filing requirements for the Colorado Health Benefit Plan under individual policy number IFD-PPO-POL-0113CO. The form filing does not replace previously approved forms.

This filing is also used to remove the 24 month wait on Child Orthodontic and the increase on the Pediatric base costs is about 2.8% from our exhibits dated July 18, 2013.

2. Requested Rate Action: N/A

3. Product Description and Marketing Method

The policy provides benefits for two dental products: a Pediatric Dental Plan and an optional Supplemental Dental Plan. The Pediatric Dental plans offer the essential pediatric oral benefits required by the Affordable Care Act (ACA). Individuals will have the option of purchasing a high or low plan that meets the Actuarial Value required by the ACA. Individuals will also have the option of purchasing additional coverage for other family members, older than 19 and may choose from three Supplemental dental plans.

These plans are designed to be marketed to individuals through the Colorado Exchange market. The individual will be the Policyholder for this filing.

Children to age 19 are eligible to enroll on the Pediatric Dental Plan. Adults and child dependents ages 19 to 26 are eligible to enroll on the Supplemental Dental Plan.

4. Premium Classification:

Age and benefit option.

5. Benefit Renewability

The policies are standard individual contracts. Coverage for individuals is renewable at the option of the policyholder. The Company reserves the right to increase premiums.

6. Age Basis

Age on effective date.

7. Policy/Rider form: N/A

B Assumption, Acquisition or Merger: N/A

C Rating Period: January 1, 2014 to December 31, 2014

D Underwriting:

We will comply with all applicable underwriting rules of Colorado Exchange.

E Effect of Law Changes: N/A

F Rate History: N/A

G Coordination of Benefits: N/A

H Description of Rate Calculations

- Base claim costs are developed using our company California claims experience from 2010 to 2012.
- Base claim costs are adjusted to reflect the plan design and adjusted for area using the 2010 HealthMaps Dental Rate Manual.
- A dental trend factor of 3% per year, for 3 years, is used to project future expected claims and is included in the premium rate structure.
- Standard company retention of 30.40% (administration – 13.50%, premium tax – 2.00%, user fees – 1.40%, commissions – 10.00% and profit – 3.50%) is applied.
- Individual rates for the Supplemental Plans do not include premiums for the Pediatric Plans.

I - This product was not priced with a lifetime loss ratio standard

J - A profit assumption of 3.5% was used in the rates calculations. No assumption was made for contingencies.

- K -** Average charges by procedure code are developed using our California data from 2010 to 2012
- The following standard company assumptions are applied to the average charges:
 - o Network use, In-Network discount, Out-of-Network discount, Deductible, Coinsurance and Annual Maximum Limit adjustments
 - Total claim cost by procedure code is determined as the sum of the average In-Network cost and the average Out-of-Network cost.
 - Weighted average base cost by class is developed using national frequency by procedure code from the 2010 HealthMaps Dental Rate Manual. Costs by class are further rolled up using standard company assumptions.
- L -** A dental trend factor of 3% per year is used to project costs data in a) from July 1, 2011 (mid-point of the experience period from 2010 to 2012) to July 1, 2014 (mid-point of the premium period from January 1, 2014 to December 31, 2014). As reported by the Bureau of Labor Statistics, the average annual inflation rate in the United States is 3.35% from 1914 until now but is only 2.7% from 2011 to 2012. We believe low inflation rates in the recent years will not sustain and rates will likely get back to historical level soon. Therefore, an annual trend rate of 3% is used in our projections.
- M -** Our California data in discussion K is 100% credible
- N -** 3 years of our California data were used and experience data has been provided to you previously.
- O -** N/A. This is a new product rate filing.
- P -** N/A. This is a new product rate filing.
- Q -** Summary of Area Factors lists factors by rating areas as defined by CMS. See attached exhibit for the development of age factors.
- R -** We will comply with all applicable underwriting rules of the Colorado Exchange and the Affordable Care Act.

Anticipated Future Loss Ratio

The anticipated future loss ratio for this policy is expected to be 69.6%. The loss ratio is computed as follows:

$$\text{Loss Ratio} = \frac{\text{Expected Incurred Claims}}{\text{Expected Earned Premium}}$$

Incurred claims are total claims for covered expenses paid on behalf of a covered person while coverage is in force, summed for all covered persons. Earned premium is the premium for each covered person for the period coverage is in force, summed for all covered persons.

Policy Forms Impacted

N/A

Experience Data

See attached exhibit.

Certification

I, Adam S. Chan, Actuary for BEST Life and Health Insurance Company ("BEST"), NAIC #90638, domiciled in Texas, do hereby certify that to the best of my knowledge and judgment, this rate submission is in compliance with the applicable laws and regulations of Colorado and all applicable Actuarial Standards of Practice, including ASOP No. 8, and that the attached rates are reasonable in relation to the benefits provided and are not excessive, inadequate, or unfairly discriminatory.



Adam S. Chan, A.S.A., M.A.A.A.
Corporate Actuary
BEST Life and Health Insurance Company
Irvine, California

August 2, 2013
Date

Colorado Health Insurance Exchange Rate Filing

Small Employer Individual Dental - Rule Manual

42891CO0020001	Pediatric High only
42891CO0020002	Pediatric Low only
42891CO0020003	Pediatric High + Supplemental High
42891CO0020004	Pediatric High + Supplemental Mid
42891CO0020005	Pediatric Low + Supplemental Mid
42891CO0020006	Pediatric Low + Supplemental Basic

42891CO0020001 Pediatric High only

Rate for age band "0-20" for children

Pediatric High Base Rate	\$	60.234499
multiply by		
Area factor for rating area 1		1.028014
Final Rate	\$	61.92

42891CO0020002 Pediatric Low only

Rate for age band "0-20" for children

Pediatric Low Base Rate	\$	44.130854
multiply by		
Area factor for rating area 1		1.028014
Final Rate	\$	45.37

Colorado Health Insurance Exchange Rate Filing

Small Employer Individual Dental - Rule Manual

42891CO0020003

Pediatric High + Supplemental High

Rate for age band "0-20" for children		
Final Rate for Pediatric High	\$	61.92

Age 21 to 25 Rates

Supplemental High Base Rate	\$	61.333934
multiply by		
Area factor for rating area 1		1.028014
Final Rate	\$	63.05

Age 26 to 64 Rates

Supplemental High Base Rate	\$	65.527707
multiply by		
Area factor for rating area 1		1.028014
Final Rate	\$	67.37

Age 65 & Up Rates

Supplemental High Base Rate	\$	78.633248
multiply by		
Area factor for rating area 1		1.028014
Final Rate	\$	80.83

Colorado Health Insurance Exchange Rate Filing

Small Employer Individual Dental - Rule Manual

42891CO0020004

Pediatric High + Supplemental Mid

Rate for age band "0-20" for children		
Final Rate for Pediatric High	\$	61.92

Age 21 to 25 Rates

Supplemental Mid Base Rate	\$	50.993966
multiply by		
Area factor for rating area 1		1.028014
Final Rate	\$	52.42

Age 26 to 64 Rates

Supplemental Mid Base Rate	\$	54.480733
multiply by		
Area factor for rating area 1		1.028014
Final Rate	\$	56.01

Age 65 & Up Rates

Supplemental Mid Base Rate	\$	65.376880
multiply by		
Area factor for rating area 1		1.028014
Final Rate	\$	67.21

Colorado Health Insurance Exchange Rate Filing

Small Employer Individual Dental - Rule Manual

42891CO0020005

Pediatric Low + Supplemental Mid

Rate for age band "0-20" for children		
Final Rate for Pediatric Low	\$	45.37

Age 21 to 25 Rates

Supplemental Mid Base Rate	\$	50.993966
multiply by		
Area factor for rating area 1		1.028014
Final Rate	\$	52.42

Age 26 to 64 Rates

Supplemental Mid Base Rate	\$	54.480733
multiply by		
Area factor for rating area 1		1.028014
Final Rate	\$	56.01

Age 65 & Up Rates

Supplemental Mid Base Rate	\$	65.376880
multiply by		
Area factor for rating area 1		1.028014
Final Rate	\$	67.21

Colorado Health Insurance Exchange Rate Filing

Small Employer Individual Dental - Rule Manual

42891CO0020006

Pediatric Low + Supplemental Low

Rate for age band "0-20" for children		
Final Rate for Pediatric Low	\$	45.37

Age 21 to 25 Rates

Supplemental Low Base Rate	\$	39.014558
multiply by		
Area factor for rating area 1		1.028014
Final Rate	\$	40.11

Age 26 to 64 Rates

Supplemental Low Base Rate	\$	41.682220
multiply by		
Area factor for rating area 1		1.028014
Final Rate	\$	42.85

Age 65 & Up Rates

Supplemental Low Base Rate	\$	50.018664
multiply by		
Area factor for rating area 1		1.028014
Final Rate	\$	51.42



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MEMO

Joanne Fontana, FSA, MAAA
Consulting Actuary

joanne.fontana@milliman.com

TO: Evelyn Ireland, CAE
Executive Director
National Association of Dental Plans

FROM: Joanne Fontana

DATE: April 26, 2013

RE: **Actuarial Value, Benefit Plan Design, and Consumer Cost-Sharing Ramifications of Lowering Standalone Pediatric Dental Out-of-Pocket Maximum to \$700**

BACKGROUND AND PURPOSE

The National Association of Dental Plans (NADP) has asked Milliman to perform some illustrative calculations for standalone pediatric dental essential benefit plans illustrating actuarial value (AV), premium levels, and consumer cost sharing levels for various plan designs. This information will be used by NADP to demonstrate the trade-off in consumer out-of-pocket costs between the out-of-pocket (OOP) maximum of a given plan design and other member cost sharing mechanisms such as deductible and coinsurance. I have performed AV, premium, and consumer cost sharing calculations for several illustrative High plans (AV of 85% plus or minus 2%) and Low plans (AV of 70% plus or minus 2%). All plans are based on the scope of services contained in the Federal Employee Dental and Vision Plan (FEDVIP) dental benefit including medically necessary orthodontia.

METHODOLOGY

Actuarial Value Methodology

For medical plans, the calculation of AV has been standardized; a single standard calculator distributed by the Department of Health and Human Services is to be used for all medical EHB. The AV calculation for the standalone pediatric dental essential benefit, however, is not standardized; carriers must calculate AV using a reasonable methodology and must have the calculation certified by an actuary. The actuarial value calculation we utilized mimics the methodology promulgated for medical plans under the ACA. It takes the ratio of the anticipated allowed charges paid by the plan for the pediatric oral care essential benefit for a standard population to the anticipated total allowed charges for the same benefit and population. This ratio is calculated for in-network benefits only; out-of-network benefit levels are not considered. Utilization levels are assumed to be constant in the numerator and denominator of the calculation; that is, the AV calculation looks only at cost-sharing, not any decrease in utilization resulting from member out of pocket costs. We used cost and utilization assumptions from Milliman's 2013 Health Cost Guidelines – Dental[®] model, developed from a national dental claims database. The demographics underlying the calculation are Milliman's standard pediatric population distribution. We assumed a 25% nationwide average provider discount.

Medical necessity requirements for orthodontia are not directly modeled in the Health Cost Guidelines – Dental[®], as they are based on commercial dental cost and utilization for which medical necessity has not historically been applied. For the medically necessary orthodontia benefit, we assumed that on average, 30% of commercial orthodontia claims would be considered medically necessary, but higher cost claim levels were more likely to be medically necessary than lower ones. Based on prior studies conducted by Milliman, we believe this to be consistent with fairly stringent application of medical necessity.

Offices in Principal Cities Worldwide

This work product was prepared solely to provide assistance to the National Association of Dental Plans. Milliman does not intend to benefit and assumes no duty or liability to other parties who receive this work. Milliman recommends Recipient be aided by its own actuary or other qualified professional when reviewing the Milliman work product.

Per Child Per Month Premium Calculation Methodology

We also used the Milliman 2013 Health Cost Guidelines – Dental[®] model with Milliman's standard pediatric population through age 18 to calculate per child per month premium rates for various plan designs. Specific pricing assumptions inherent in all the premiums shown in this report include:

- January 1, 2014 premium effective date
- 25% provider discount
- Assumes in-network utilization only
- 70% loss ratio
- Selection loads commensurate with voluntary individual dental policies. In prior analyses that we have performed for you, our premium development reflected lower selection loads, as it was assumed that, since pediatric dental is an essential health benefit, most people would purchase it for their children. As it has become clearer that pediatric dental is truly only a "required offer" rather than a "required purchase" within the federally facilitated marketplaces (exchanges), we have revised our selection loads to reflect the voluntary nature of the purchase.
- The calculated premiums make no explicit provision for additional fees or taxes related to the ACA, such as exchange fees or assessment fees.

Consumer Cost Sharing Calculation Methodology

To illustrate the total expected out of pocket costs for sample consumers, we created three sample children who undergo the following dental procedures during the policy year:

- Child A incurs preventive and diagnostic services (assumed to include two cleanings, two oral exams, one set of x-rays, and one fluoride application) as well as one filling during the policy year. Child A is meant to represent a typical covered child.
- Child B incurs the same preventive and diagnostic services as well as a surgical extraction.
- Child C incurs the same preventive and diagnostic services, a filling, and medically necessary orthodontia.

We developed cost estimates for each of these procedures using Milliman's 2013 Health Cost Guidelines – Dental[®] model, assumed a 25% provider discount would be applied, and then applied the cost sharing elements inherent in each benefit plan to determine the consumer's cost of each procedure. We then calculated the total cost sharing for each child in a given policy year based on the services he is assumed to incur, as well as the amount the insurance company would pay on behalf of each child for the same procedures during the policy year.

For orthodontia, we assumed that the services would be provided over the course of two years, as is common for an orthodontia treatment plan. We applied cost sharing components to the orthodontia procedure costs assuming that half the children receiving orthodontia would be in their first year of treatment and half would be in their second year of treatment. That allowed us to see the true expected differential in consumer outlay over the full course of treatment. For example, for a benefit plan with an annual OOP maximum, the child incurring orthodontia might hit that maximum in both years, moderating the cost in both years. On the other hand, for a plan with an orthodontia benefit maximum, the entire benefit might be depleted in the first year, making the consumer outlay for that year quite low or zero, but in the second year the consumer would bear the most or all the burden for the remaining orthodontia costs.

RESULTS

Premium Impact of Reducing OOP Maximum

Table I illustrates the impact on per child per month premiums of decreasing the OOP maximum on a given benefit plan while holding all other cost sharing elements constant. The actuarial values of the benefit plans in this table are not considered; we have simply taken an illustrative benefit plan design and calculated the premium differentials associated with moving to lower and lower OOP maximum levels. Also shown is the percentile of the claim distribution, which represents the proportion of children expected to incur annual claims below the OOP maximum.

TABLE I. Impact on Per Child Per Month Premiums of Lowering OOP Maximum

OOP Maximum	Approximate Percentile of Claim Distribution	Resulting Combined Dental/Ortho Premium Per Child Per Month (2014)	Percentage Price Increase on Combined Dental/Ortho Rate Over No OOP Maximum Plan
None	100 th	\$49.70	0%
\$2,850	99 th	\$53.67	8%
\$2,000	98.6 th	\$56.70	14%
\$1,500	98.3 th	\$58.70	18%
\$1,000	98 th	\$60.91	23%
\$900	98 th	\$61.37	23%
\$700	97.75 th	\$62.33	25%

This chart illustrates that, to go from a plan with no out-of-pocket maximum to a plan with a \$700 OOP maximum, rates could be expected to increase by 25%. It also shows that the move from a \$1000 OOP maximum plan to a \$700 OOP maximum plan adds 2% to consumer premiums.

It should also be noted that almost the entire proportion of children expected to incur claims over the OOP maximum are those requiring medically necessary orthodontia treatment. Without orthodontia costs, virtually no children would incur claims high enough to trigger the OOP maximum.

Premium Impact of Moving from Typical Plan Pre-ACA to ACA Plan with \$700 OOP Maximum

Importantly, pre-ACA marketplace dental products not only have no OOP max, they also commonly utilize annual benefit maximums on dental services and lifetime benefit maximums on orthodontia. Dollar benefit maximums are not permitted for essential health benefits under ACA. Table II below shows illustrative per child per month premium changes relative to a typical dental plan of today, with no OOP maximum, a \$1500 annual benefit maximum on dental, and a \$1500 lifetime benefit maximum on orthodontia. The first row represents this typical dental plan, and the premium increases shown are relative to that base.

Table II also includes the calculated premium for the Federal Employees Dental and Vision Program (FEDVIP) dental benefits, which has been chosen as the default benchmark for the pediatric dental essential health benefit. For the typical pre-ACA plan as well as the FEDVIP plan, we have shown the premiums assuming pre-ACA adverse selection levels. As we described earlier in this memo, the exchange environment will allow people to make separate purchase decisions for their children versus themselves, which is different from the pre-ACA marketplace in which an individual would purchase a policy on behalf of his family.

As with Table I, only OOP maximums and lifetime maximums were altered in creating these scenarios; no adjustments were made to normalize actuarial values.

TABLE II. Impact on Per Child Per Month Premiums of Plans with OOP Maximums Compared to Typical Pre-ACA Plan

OOP Maximum	Benefit Maximums	Resulting Combined Dental/Ortho Premium Per Child Per Month (2014)	Percentage Price Increase on Combined Dental/Ortho Rate Versus Today's Market Plan
None	Typical Pre-ACA Plan: \$1500 Annual Dental Max/\$1500 Lifetime Ortho Max	\$34.89	0%
None	FEDVIP Plan: \$10,000 Annual Dental Max/\$3500 Lifetime Ortho Max	\$42.15	21%
None	Not Allowed in ACA	\$49.70	42%
\$1,000	Not Allowed in ACA	\$60.91	75%
\$700	Not Allowed in ACA	\$62.33	79%

This chart illustrates that the removal of annual and lifetime maximums from dental coverage has a significant impact on the premium charged. Moving from a typical dental plan in today's environment, with benefit maximums and with the adverse selection impact of a typical dental plan sold in today's individual marketplace, to a plan under ACA with no benefit maximums, a \$700 OOP maximum, and the adverse selection inherent in the exchange marketplace in which the purchase of a child dental policy is fully voluntary, would be expected to increase premiums by 79%.

This chart also shows the premium differential between the typical plan and the FEDVIP plan. FEDVIP is a voluntary program designed to provide wrap coverage over basic dental coverage that is contained in federal employees' medical plans; its annual and lifetime limits are more generous than the typical plan of today.

Balancing Premiums, Consumer Out of Pocket Costs, and Actuarial Value

Under ACA, standalone pediatric dental essential health benefit plans must meet either a 70% plus or minus 2% AV (Low option) or an 85% plus or minus 2% AV (High option). As the OOP maximum on a given plan is lowered, other cost sharing components must be adjusted upward in order to maintain the plan's AV.

Table III below shows how two illustrative plan designs would need to be adjusted in order to move from \$1000 OOP maximum to \$700 OOP maximum while maintaining a Low AV. Table IV illustrates the same concept for illustrative plans at the High AV. For example, for Plan I, when the OOP maximum is changed from \$1000 to \$700, the annual deductible could be increased from \$75 to \$90 to maintain the 70% AV. As the OOP maximum affects very few children, while deductibles and coinsurance affect most children, the design of the benefit plan becomes a balancing act between moderating costs for the vast majority of children who would not hit the OOP maximum versus protecting the very small proportion of children who require significant out of pocket expenditures.

For the Low AV plans, it is difficult to achieve the required AV range without applying the deductible to all services (rather than waiving it for preventive and diagnostic procedures), introducing coinsurance to Class I services, and/or reducing plan coinsurance levels below 50%. We have limited our illustrative designs to plans that do not apply coinsurance to Class I services and maintain plan coinsurance of 50% or more for all classes of service, but Plan I does apply the deductible to preventive and diagnostic services.

TABLE III. Illustrative Pediatric Dental Essential Health Benefit Plans With Approximate 1/1/2014 Actuarial Values of 70% Plus or Minus 2%

	Illustrative Plan I		Illustrative Plan II	
	\$1000 OOP Max	\$700 OOP Max	\$1000 OOP Max	\$700 OOP Max
Out-of-Pocket Maximum	\$1000	\$700	\$1000	\$700
Annual Deductible	\$75	\$90	\$110	\$150
Deductible Applies to Class I?	Yes	Yes	No	No
Class I - Plan Coinsurance	100%	100%	100%	100%
Class II - Plan Coinsurance	70%	70%	50%	50%
Class III - Plan Coinsurance	50%	50%	50%	50%
Medically Necessary Orthodontia - Plan Coinsurance	50%	50%	50%	50%
Annual Prem Per Child	\$607.23	\$599.29	\$538.96	\$533.44

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TABLE IV. Illustrative Pediatric Dental Essential Health Benefit Plans With Approximate 1/1/2014 Actuarial Values of 85% Plus or Minus 2%

	Illustrative Plan III		Illustrative Plan IV	
	\$1000 OOP Max	\$700 OOP Max	\$1000 OOP Max	\$700 OOP Max
Out-of-Pocket Maximum	\$1000	\$700	\$1000	\$700
Annual Deductible	\$50	\$65	\$75	\$90
Deductible Applies to Class I?	No	No	No	No
Class I - Plan Coinsurance	100%	100%	100%	100%
Class II - Plan Coinsurance	70%	70%	80%	80%
Class III - Plan Coinsurance	50%	50%	50%	50%
Medically Necessary Orthodontia - Plan Coinsurance	50%	50%	50%	50%
Annual Prem Per Child	\$653.25	\$648.24	\$682.92	\$678.92

As you can see from Tables III and IV, in order to support a lower OOP maximum, other features of the plan's cost-sharing must be adjusted. The more the OOP maximum is lowered, the more cost sharing is applied in the form of deductibles and coinsurance in order to maintain AV. In Table I of this memo, we showed that 97.75% of children are expected to have OOP costs of \$700 or less. Most children will incur services subject to deductibles and coinsurance, while fewer than 2.25% of children's claims would likely to hit a \$700 OOP maximum. A relatively lower OOP maximum generally has the effect of giving greater protection to the children with very high dental costs while increasing cost-sharing for most other children.

Total Annual OOP Expenses for Sample Children Under Various Benefit Plan Designs

Finally, we used the illustrative plan designs shown in Tables III and IV, as well as the pre-ACA typical plan design and the FEDVIP plan, to develop total annual OOP costs (member cost sharing) for children incurring varying levels and types of dental services. Children A, B, and C were described in the Methodology section of this memo.

Table V illustrates the expected total out of pocket expenses for the three sample children under the pre-ACA typical plan design, the pre-ACA FEDVIP plan, and Plans I and II from Table III above. It also illustrates the insurance plan payment for each child under each plan design.

Table VI illustrates the same values for the 85% AV plans.

Table V

2014 Estimated Consumer Cost Sharing and 2014 Estimated Plan Payments for Illustrative Children Under Various Plan Designs (in \$)						
(first number represents consumer payment/second number represents insurance plan payment)		70% AV				
		Plan I		Plan II		
	Typical DPPO Plan Pre-ACA	FEDVIP Plan Pre-ACA	\$1000 OOP Max, \$75 Deductible	\$700 OOP Max, \$90 Deductible	\$1000 OOP Max, \$110 Deductible	\$700 OOP Max, \$150 Deductible
Child A	\$67.23/ \$236.60	\$67.23/ \$236.60	\$107.23/ \$196.60	\$122.23/ \$181.60	\$107.43/ \$196.40	\$107.43/ \$196.40
Child B	\$105.09/ \$324.93	\$105.09/ \$324.93	\$145.09/ \$284.93	\$160.09/ \$269.93	\$171.81/ \$258.21	\$191.81/ \$238.21
Child C	\$1,242.23/ \$1,236.60	\$492.23/ \$1,986.60	\$1,000.00/ \$1,478.83	\$700.00/ \$1,778.83	\$1,000.00/ \$1,478.83	\$700.00/ \$1,778.83

(see page 2 for descriptions of Child A, B, and C)

Table VI

2014 Estimated Consumer Cost Sharing and 2014 Estimated Plan Payments for Illustrative Children Under Various Plan Designs (in \$)						
(first number represents consumer payment/second number represents insurance plan payment)		85% AV				
		Plan III		Plan IV		
	Typical DPPO Plan Pre-ACA	FEDVIP Plan Pre-ACA	\$1000 OOP Max, \$50 Deductible	\$700 OOP Max, \$65 Deductible	\$1000 OOP Max, \$75 Deductible	\$700 OOP Max, \$90 Deductible
Child A	\$67.23/ \$236.60	\$67.23/ \$236.60	\$67.23/ \$236.60	\$77.73/ \$226.10	\$81.49/ \$222.34	\$93.49/ \$210.34
Child B	\$105.09/ \$324.93	\$105.09/ \$324.93	\$105.09/ \$324.93	\$115.59/ \$314.43	\$106.72/ \$323.30	\$118.72/ \$311.30
Child C	\$1,242.23/ \$1,236.60	\$492.23/ \$1,986.60	\$1,000.00/ \$1,478.83	\$700.00/ \$1,778.83	\$1,000.00/ \$1,478.83	\$700.00/ \$1,778.83

(see page 2 for descriptions of Child A, B, and C)

These tables illustrate how varying combinations of AV, OOP maximum, other cost sharing features affect the out of pocket expenses for children with various needs. For a particular plan design, the move from a \$1000 to a \$700 OOP maximum has the effect of transferring cost away from Child C and increasing costs for Children A and B via increased deductibles and coinsurance. While the cost increases to Children A and B are modest, it should be recalled that Child C requires medically necessary orthodontia and is expected to represent less than 5% of the covered population.

Evelyn Ireland, NADP
April 26, 2013
Page 8

The tables also show how insurance plan payments vary by plan design. The ACA plans generally cover relatively less of the cost of care for Children A and B than the pre-ACA plans. For Child C, the pre-ACA FEDVIP plan covers the highest proportion of cost, followed by the ACA plans and then the pre-ACA typical plan design.

Children A, B, and C are illustrative and are not meant to represent the full range of potential out of pocket cost scenarios that could be seen.

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CAVEATS AND LIMITATIONS

I, Joanne Fontana, am a Consulting Actuary for Milliman. I am a member of the American Academy of Actuaries and I meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.

Milliman has prepared this report for the specific purpose of providing actuarial value, premium, and cost sharing estimates for various illustrative pediatric dental benefit plans. This information may not be appropriate, and should not be used, for any other purpose. This report has been prepared solely for the internal business use of, and is only to be relied upon by, the management of NADP. We understand that this report may be shared with representatives of the Center for Consumer Information and Insurance Oversight (CCIIO) and other third parties. Milliman does not intend to benefit or create a legal duty to any third party recipient of its work even if we permit the distribution of our work product to such third party.

The results presented herein are estimates based on carefully constructed actuarial models. Differences between our estimates and actual amounts depend on the extent to which future experience conforms to the assumptions made for this analysis. It is certain that actual experience will not conform exactly to the assumptions used in this analysis. Actual amounts will differ from projected amounts to the extent that actual experience deviates from expected experience.

In performing this analysis, we relied on data and other information provided by NADP. We have not audited or verified this data and other information but reviewed it for general reasonableness. If the underlying data or information is inaccurate or incomplete, the results of our analysis may likewise be inaccurate or incomplete.

Milliman does not provide legal advice, and recommends that NADP consult with its legal advisors regarding legal matters.

The terms of Milliman's Consulting Services Agreement with NADP dated March 17, 2011 and signed March 24, 2011 apply to this letter and its use.

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State: Colorado

TOI/Sub-TOI: H10I Individual Health - Dental/H10I.000 Health - Dental

Product Name: Stand Alone Dental - Individual Market

Project Name/Number: Rate Filing/Exchange Products

Filing Company:

BEST Life and Health Insurance Company

Superseded Schedule Items

Please note that all items on the following pages are items, which have been replaced by a newer version. The newest version is located with the appropriate schedule on previous pages. These items are in date order with most recent first.

Creation Date	Schedule Item Status	Schedule	Schedule Item Name	Replacement Creation Date	Attached Document(s)
08/01/2013		Supporting Document	Requested information	08/05/2013	Rule Manual - CO 07312013.pdf (Superceded) Rule Manual - CO 07312013.xlsx (Superceded) Group size factor.pdf (Superceded)
08/01/2013		Supporting Document	Actuarial Memorandum	08/05/2013	Determination of Age Factors.pdf (Superceded) Actuarial Memorandum CO - Individual July 30 2013.pdf (Superceded) Summary of Area Factors - CO 07302013.pdf (Superceded)
07/31/2013		Supporting Document	Requested information	08/01/2013	Rule Manual - CO 07312013.pdf Rule Manual - CO 07312013.xlsx Summary of Area Factors - CO 07302013.pdf (Superceded) Group size factor.pdf
07/31/2013		Supporting Document	Requested information	07/31/2013	Rule Manual - CO 07312013.pdf Rule Manual - CO 07312013.xlsx
07/30/2013		Supporting Document	Actuarial Memorandum	08/01/2013	Determination of Age Factors.pdf Actuarial Memorandum CO - Individual July 30 2013.pdf
07/30/2013		Rate	PEDIATRIC RATE CALCULATIONS	08/05/2013	Individual Pediatric Rates - CO 07302013.pdf (Superceded)

SERFF Tracking #:

BLHI-129044443

State Tracking #:

278338

Company Tracking #:

CO RATE FILING

State: Colorado

TOI/Sub-TOI: H10I Individual Health - Dental/H10I.000 Health - Dental

Product Name: Stand Alone Dental - Individual Market

Project Name/Number: Rate Filing/Exchange Products

Filing Company:

BEST Life and Health Insurance Company

Creation Date	Schedule Item Status	Schedule	Schedule Item Name	Replacement Creation Date	Attached Document(s)
07/30/2013		Rate	ADULT RATE CALCULATIONS	08/05/2013	Individual Supplemental Rates - CO 07302013.pdf (Superceded)
07/18/2013		Supporting Document	Actuarial Memorandum	07/30/2013	Actuarial Memorandum CO - Individual July 18 2013.pdf (Superceded) Determination of Age Factors.pdf
06/21/2013		Supporting Document	Actuarial Memorandum	07/18/2013	Actuarial Memorandum CO - Individual June 13 2013.pdf (Superceded) Experience exhibit.pdf (Superceded) Individual Pediatric Rates - CO 06142013.pdf (Superceded) Individual Supplemental Rates - CO 06142013.pdf (Superceded) Summary of Area Factors - CO 06142013.pdf (Superceded)
06/14/2013		Rate	PEDIATRIC RATE CALCULATIONS	07/30/2013	Individual Pediatric Rates - CO 06142013.pdf (Superceded)
06/14/2013		Rate	ADULT RATE CALCULATIONS	07/30/2013	Individual Supplemental Rates - CO 06142013.pdf (Superceded)
06/14/2013		Supporting Document	Actuarial Memorandum	06/21/2013	Actuarial Memorandum CO - Individual June 13 2013.pdf Experience exhibit.pdf Individual Pediatric Rates - CO 06142013.pdf Individual Supplemental Rates - CO 06142013.pdf

State:	Colorado	Filing Company:	BEST Life and Health Insurance Company
TOI/Sub-TOI:	H10I Individual Health - Dental/H10I.000 Health - Dental		
Product Name:	Stand Alone Dental - Individual Market		
Project Name/Number:	Rate Filing/Exchange Products		

Creation Date	Schedule Item Status	Schedule	Schedule Item Name	Replacement Creation Date	Attached Document(s)
06/07/2013		Supporting Document	Actuarial Memorandum	06/14/2013	Actuarial Memorandum CO - Individual June 06 2013.pdf (Superceded)
06/07/2013		Rate	ACTUARIAL MEMORANDUM	06/14/2013	
06/07/2013		Rate	PEDIATRIC RATE CALCULATIONS	06/14/2013	Individual Pediatric Rates - CO 06072013.pdf (Superceded)
06/07/2013		Rate	ADULT RATE CALCULATIONS	06/14/2013	
05/28/2013		Form	Association Policy	08/05/2013	
05/28/2013		Form	Certificate of Insurance	08/05/2013	
05/28/2013		Form	Statement of Variability	08/05/2013	
05/23/2013		Rate	ACTUARIAL MEMORANDUM	06/07/2013	Actuarial Memorandum CO - Individual May 24 2013.pdf (Superceded)
05/23/2013		Rate	PEDIATRIC RATE CALCULATIONS	06/07/2013	Individual Pediatric Rates - CO 05242013.pdf (Superceded)
05/23/2013		Rate	ADULT RATE CALCULATIONS	06/07/2013	Individual Supplemental Rates - CO 05242013.pdf (Superceded)

SERFF Tracking #:	BLHI-129044443	State Tracking #:	278338	Company Tracking #:	CO RATE FILING
<hr/>					
State:	Colorado	Filing Company:	BEST Life and Health Insurance Company		
TOI/Sub-TOI:	H10I Individual Health - Dental/H10I.000 Health - Dental				
Product Name:	Stand Alone Dental - Individual Market				
Project Name/Number:	Rate Filing/Exchange Products				

Attachment Rule Manual - CO 07312013.xlsx is not a PDF document and cannot be reproduced here.

Colorado Health Insurance Exchange Rate Filing

Rule Manual for the following six individual plans

42891CO0020001 – Pediatric High only
42891CO0020002 – Pediatric Low only
42891CO0020003 – Pediatric High + Supplemental High
42891CO0020004 – Pediatric High + Supplemental Mid
42891CO0020005 – Pediatric Low + Supplemental Mid
42891CO0020006 – Pediatric Low + Supplemental Basic

Area factor for rating area 1 = 1.028014

42891CO0020001

Rate = $\$49.69 \times 1.028014 = \51.08 in age band “0-20” for children

42891CO0020002

Rate = $\$39.50 \times 1.028014 = \40.61 in age band “0-20” for children

42891CO0020003

“0-20” Rate = Pediatric high rate = \$51.08

Age 21 to 25 Rates = Age 19 to 26 Supplemental High Plan Rate $\times 1.028014 = \$49.07 \times 1.028014 = \50.45

Age 26 to 64 Rates = Age 26 to 65 Supplemental High Plan Rate $\times 1.028014 = \$52.42 \times 1.028014 = \53.89

Age 65 and Up Rates = Age 65 & Up Supplemental High Plan Rate $\times 1.028014 = \$62.90 \times 1.028014 = \64.67

42891CO0020004

“0-20” Rate = Pediatric high rate = \$51.08

Age 21 to 25 Rates = Age 19 to 26 Supplemental Mid Plan Rate $\times 1.028014 = \$40.79 \times 1.028014 = \41.93

Age 26 to 64 Rates = Age 26 to 65 Supplemental Mid Plan Rate $\times 1.028014 = \$43.58 \times 1.028014 = \44.81

Age 65 and Up Rates = Age 65 & Up Supplemental Mid Plan Rate $\times 1.028014 = \$52.30 \times 1.028014 = \53.77

42891CO0020005

“0-20” Rate = Pediatric Low rate = \$40.61

Age 21 to 25 Rates = Age 19 to 26 Supplemental Mid Plan Rate $\times 1.028014 = \$40.79 \times 1.028014 = \41.93

Age 26 to 64 Rates = Age 26 to 65 Supplemental Mid Plan Rate $\times 1.028014 = \$43.58 \times 1.028014 = \44.81

Age 65 and Up Rates = Age 65 & Up Supplemental Mid Plan Rate $\times 1.028014 = \$52.30 \times 1.028014 = \53.77

42891CO0020006

“0-20” Rate = Pediatric Low rate = \$40.61

Age 21 to 25 Rates = Age 19 to 26 Supplemental Low Plan Rate $\times 1.028014 = \$31.22 \times 1.028014 = \32.09

Age 26 to 64 Rates = Age 26 to 65 Supplemental Low Plan Rate $\times 1.028014 = \$33.35 \times 1.028014 = \34.28

Age 65 and Up Rates = Age 65 & Up Supplemental Low Plan Rate $\times 1.028014 = \$40.02 \times 1.028014 = \41.15

Preannouncement and New Business Adjustment			
	Year of Coverage		
	Year 1	Year 2	Year 3+
No preannouncement period			
Class I	1.11	1.00	1.00
Class II	1.15	1.15	1.00
Class III (missing teeth not covered)	1.26	1.21	1.00
Class III (missing teeth covered)	1.46	1.23	1.00
1-3 month preannouncement period			
Class I	1.13	1.00	1.00
Class II	1.20	1.13	1.00
Class III (missing teeth not covered)	1.31	1.18	1.00
Class III (missing teeth covered)	1.52	1.22	1.00
4-6 month preannouncement period			
Class I	1.15	1.00	1.00
Class II	1.25	1.11	1.00
Class III (missing teeth not covered)	1.38	1.16	1.00
Class III (missing teeth covered)	1.58	1.21	1.00
7+ month preannouncement period			
Class I	1.17	1.00	1.00
Class II	1.31	1.10	1.00
Class III (missing teeth not covered)	1.46	1.14	1.00
Class III (missing teeth covered)	1.66	1.19	1.00

f. Group Size Adjustment

The starting utilization rates reflect expected average experience in the absence of the adverse selection often experienced in the small group market. A six-month waiting period for Class III services or other methods of phasing in the benefits over time for small groups reduces the effect of such adverse selection, particularly for Class III services provided to short-term employees. The following factors provide approximate adjustments for standard benefits based on the number of employees in the group.

Number of Employees	Adjustment Factor
5 - 9	1.30
10 - 24	1.15
25 - 49	1.05
50 - 99	1.00
100+	0.98

g. Other Utilization Adjustments (Total)

Enter the total of Step 8a x Step 8b x Step 8c x Step 8d x Step 8e x Step 8f separately by class and service category, if appropriate, in Column (8) of the Utilization Worksheet.

Colorado Health Insurance Exchange Rate Filing

Determination of Age Factor for Age Band 19 to 26

Age factor from 2010 HealthMAPs Dental Manual (I-2)

under 30	2.80	2.80
30-34	2.87	
35-39	2.99	
40-44	3.00	
45-49	2.97	
50-54	3.00	
55-59	3.00	
60-64	3.10	
Average		2.99
Factor		93.6%

Determination of Age Factor for Age Band 65+

Age factor from Milliman Dental Guidelines

Average for 0-64	1.17
65+	1.40
Factor	20%

Actuarial Memorandum

Responses to your questions in the Objection Letter dated July 29, 2013

1. We are using the COHBE User Fee of 1.4% in this filing
2. Impact to final rate due to user fee change

Base cost/(1-total retention) = Final rate

Original retention = 32.5% with user fees of 3.5%

Revised retention = 32.5%-3.5%+1.4%=30.4%

A=Original final rate = Base cost/(1-32.5%)

B=Revised final rate = Base cost/(1-30.4%)

Therefore, the change in final rate is $B/A - 1 = (1-32.5\%)/(1-30.4\%) - 1 = -3\%$

3. The following six plans are listed in the binder

42891CO0020001 – Pediatric High only

42891CO0020002 – Pediatric Low only

42891CO0020003 – Pediatric High + Supplemental High

42891CO0020004 – Pediatric High + Supplemental Mid

42891CO0020005 – Pediatric Low + Supplemental Mid

42891CO0020006 – Pediatric Low + Supplemental Basic

Area factor for rating area 1 = 1.028014

42891CO0020001

Rate = \$49.69*1.028014=\$51.08 in age band "0-20" for children

42891CO0020002

Rate = \$39.50 *1.028014=\$40.61 in age band "0-20" for children

42891CO0020003

"0-20" Rate = Pediatric high rate = \$51.08

Age 21 to 25 Rates = Age 19 to 26 Supplemental High Plan Rate*1.028014 = \$49.07*1.028014=\$50.45

Age 26 to 64 Rates = Age 26 to 65 Supplemental High Plan Rate*1.028014 = \$52.42*1.028014=\$53.89

Age 65 and Up Rates = Age 65 & Up Supplemental High Plan Rate*1.028014 = \$62.90*1.028014=\$64.67

42891CO0020004

"0-20" Rate = Pediatric high rate = \$51.08

Age 21 to 25 Rates = Age 19 to 26 Supplemental Mid Plan Rate*1.028014 = \$40.79*1.028014=\$41.93

Age 26 to 64 Rates = Age 26 to 65 Supplemental Mid Plan Rate*1.028014 = \$43.58*1.028014=\$44.81

Age 65 and Up Rates = Age 65 & Up Supplemental Mid Plan Rate*1.028014 = \$52.30*1.028014=\$53.77

42891CO0020005

"0-20" Rate = Pediatric Low rate = \$40.61

Age 21 to 25 Rates = Age 19 to 26 Supplemental Mid Plan Rate*1.028014 = \$40.79*1.028014=\$41.93

Age 26 to 64 Rates = Age 26 to 65 Supplemental Mid Plan Rate*1.028014 = \$43.58*1.028014=\$44.81

Age 65 and Up Rates = Age 65 & Up Supplemental Mid Plan Rate*1.028014 = \$52.30*1.028014=\$53.77

42891CO0020006

"0-20" Rate = Pediatric Low rate = \$40.61

Age 21 to 25 Rates = Age 19 to 26 Supplemental Low Plan Rate*1.028014 = \$31.22*1.028014=\$32.09

Age 26 to 64 Rates = Age 26 to 65 Supplemental Low Plan Rate*1.028014 = \$33.35*1.028014=\$34.28

Age 65 and Up Rates = Age 65 & Up Supplemental Low Plan Rate*1.028014 = \$40.02*1.028014=\$41.15

A Summary

1. Reason(s) for the rate filing

This is a new PPO product rate filing to satisfy the Stand-Alone Supplemental and Pediatric Dental Plans Rate Filing requirements for the Colorado Health Benefit Plan under individual policy number IFD-PPO-POL-0113CO. The form filing does not replace previously approved forms.

2. Requested Rate Action: N/A

3. Product Description and Marketing Method

The policy provides benefits for two dental products: a Pediatric Dental Plan and an optional Supplemental Dental Plan. The Pediatric Dental plans offer the essential pediatric oral benefits required by the Affordable Care Act (ACA). Individuals will have the option of purchasing a high or low plan that meets the Actuarial Value required by the ACA. Individuals will also have the option of purchasing additional coverage for other family members, older than 19 and may choose from three Supplemental dental plans.

These plans are designed to be marketed to individuals through the Colorado Exchange market. The individual will be the Policyholder for this filing.

Children to age 19 are eligible to enroll on the Pediatric Dental Plan. Adults and child dependents ages 19 to 26 are eligible to enroll on the Supplemental Dental Plan.

4. Premium Classification:

Age and benefit option.

5. Benefit Renewability

The policies are standard individual contracts. Coverage for individuals is renewable at the option of the policyholder. The Company reserves the right to increase premiums.

6. Age Basis

Age on effective date.

7. Policy/Rider form: N/A

B Assumption, Acquisition or Merger: N/A

C Rating Period: January 1, 2014 to December 31, 2014

D Underwriting:

We will comply with all applicable underwriting rules of Colorado Exchange.

E Effect of Law Changes: N/A

F Rate History: N/A

G Coordination of Benefits: N/A

H Description of Rate Calculations

- Base claim costs are developed using our company California claims experience from 2010 to 2012.
- Base claim costs are adjusted to reflect the plan design and adjusted for area using the 2010 HealthMaps Dental Rate Manual.
- A dental trend factor of 3% per year, for 3 years, is used to project future expected claims and is included in the premium rate structure.
- Standard company retention of 30.40% (administration – 13.50%, premium tax – 2.00%, user fees – 1.40%, commissions – 10.00% and profit – 3.50%) is applied.
- Individual rates for the Supplemental Plans do not include premiums for the Pediatric Plans.

I - This product was not priced with a lifetime loss ratio standard

J - A profit assumption of 3.5% was used in the rates calculations. No assumption was made for contingencies.

- K -** Average charges by procedure code are developed using our California data from 2010 to 2012
- The following standard company assumptions are applied to the average charges:
 - o Network use, In-Network discount, Out-of-Network discount, Deductible, Coinsurance and Annual Maximum Limit adjustments
 - Total claim cost by procedure code is determined as the sum of the average In-Network cost and the average Out-of-Network cost.
 - Weighted average base cost by class is developed using national frequency by procedure code from the 2010 HealthMaps Dental Rate Manual. Costs by class are further rolled up using standard company assumptions.
- L -** A dental trend factor of 3% per year is used to project costs data in a) from July 1, 2011 (mid-point of the experience period from 2010 to 2012) to July 1, 2014 (mid-point of the premium period from January 1, 2014 to December 31, 2014). As reported by the Bureau of Labor Statistics, the average annual inflation rate in the United States is 3.35% from 1914 until now but is only 2.7% from 2011 to 2012. We believe low inflation rates in the recent years will not sustain and rates will likely get back to historical level soon. Therefore, an annual trend rate of 3% is used in our projections.
- M -** Our California data in discussion K is 100% credible
- N -** 3 years of our California data were used and experience data has been provided to you previously.
- O -** N/A. This is a new product rate filing.
- P -** N/A. This is a new product rate filing.
- Q -** Summary of Area Factors lists factors by rating areas as defined by CMS. See attached exhibit for the development of age factors.
- R -** We will comply with all applicable underwriting rules of the Colorado Exchange and the Affordable Care Act.

Anticipated Future Loss Ratio

The anticipated future loss ratio for this policy is expected to be 69.6%. The loss ratio is computed as follows:

$$\text{Loss Ratio} = \frac{\text{Expected Incurred Claims}}{\text{Expected Earned Premium}}$$

Incurred claims are total claims for covered expenses paid on behalf of a covered person while coverage is in force, summed for all covered persons. Earned premium is the premium for each covered person for the period coverage is in force, summed for all covered persons.

Policy Forms Impacted

N/A

Experience Data

See attached exhibit.

Certification

I, Adam S. Chan, Actuary for BEST Life and Health Insurance Company ("BEST"), NAIC #90638, domiciled in Texas, do hereby certify that to the best of my knowledge and judgment, this rate submission is in compliance with the applicable laws and regulations of Colorado and all applicable Actuarial Standards of Practice, including ASOP No. 8, and that the attached rates are reasonable in relation to the benefits provided and are not excessive, inadequate, or unfairly discriminatory.



Adam S. Chan, A.S.A., M.A.A.A.
Corporate Actuary
BEST Life and Health Insurance Company
Irvine, California

July 30, 2013
Date

Colorado Health Insurance Exchange Rate Filing

Summary of Area Factors

Area Factor

Rating Area 1	1.028014
Rating Area 2	0.997120
Rating Area 3	1.024020
Rating Area 4	1.022539
Rating Area 5	0.887412
Rating Area 6	0.985311
Rating Area 7	1.004062
Rating Area 8	0.946312
Rating Area 9	0.983770
Rating Area 10	0.914721
Rating Area 11	0.950223

Colorado Health Insurance Exchange Rate Filing

Summary of Area Factors

Area Factor

Rating Area 1	1.028014
Rating Area 2	0.997120
Rating Area 3	1.024020
Rating Area 4	1.022539
Rating Area 5	0.887412
Rating Area 6	0.985311
Rating Area 7	1.004062
Rating Area 8	0.946312
Rating Area 9	0.983770
Rating Area 10	0.914721
Rating Area 11	0.950223

Colorado Health Insurance Exchange Rate Filing

Individual Dental - Essential Pediatric Plans

High Plan - Actuarial Value 85%	Low Plan - Actuarial Value 70%
Per Child*	Per Child*

Base Cost	\$ 33.48	\$ 26.61
Trend	1.09	1.09
State factor	0.95	0.95
Net Cost	\$ 34.58	\$ 27.49

Administrative	13.50%	13.50%
Premium Tax	2.00%	2.00%
User Fees**	1.40%	1.40%
Broker Commission	10.00%	10.00%
Profit	3.50%	3.50%

Target Loss Ratio	69.60%	69.60%
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Final Rate**	\$ 49.69	\$ 39.50
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* Children to age 19 are eligible to enroll on the Pediatric Dental Plans.

** COHBE User fees of 1.4% imposed by the Department of Health and Human Services are included.

** Apply area factors from Summary of Area Factors to determine rates by different rating areas.

Colorado Health Insurance Exchange Rate Filing

Individual Dental - Supplemental Plans

High Plan	Mid Plan	Basic Plan
-----------	----------	------------

Base Cost	\$ 35.32	\$ 29.37	\$ 22.47
Trend	1.09	1.09	1.09
State factor	0.95	0.95	0.95
Net Cost	\$ 36.49	\$ 30.33	\$ 23.21

Administrative	13.50%	13.50%	13.50%
Premium Tax	2.00%	2.00%	2.00%
User Fees*	1.40%	1.40%	1.40%
Broker Commission	10.00%	10.00%	10.00%
Profit	3.50%	3.50%	3.50%

Target Loss Ratio	69.60%	69.60%	69.60%
-------------------	--------	--------	--------

Rate	\$ 52.42	\$ 43.58	\$ 33.35
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Final Rate Per Individual***

Age 19 to 26**	\$ 49.07	\$ 40.79	\$ 31.22
Age 26 to 65	\$ 52.42	\$ 43.58	\$ 33.35
Age 65 and Up	\$ 62.90	\$ 52.30	\$ 40.02

* COHBE User fees of 1.4% imposed by the Department of Health and Human Services are included.

** Adults and child dependents ages 19 to 26 are eligible to enroll on the Supplemental Dental Plans.

*** Apply area factors from Summary of Area Factors to determine rates by different rating areas.

Actuarial Memorandum

A Summary

1. Reason(s) for the rate filing

This is a new PPO product rate filing to satisfy the Stand-Alone Supplemental and Pediatric Dental Plans Rate Filing requirements for the Colorado Health Benefit Plan under individual policy number IFD-PPO-POL-0113CO. The form filing does not replace previously approved forms.

2. Requested Rate Action: N/A

3. Product Description and Marketing Method

The policy provides benefits for two dental products: a Pediatric Dental Plan and an optional Supplemental Dental Plan. The Pediatric Dental plans offer the essential pediatric oral benefits required by the Affordable Care Act (ACA). Individuals will have the option of purchasing a high or low plan that meets the Actuarial Value required by the ACA. Individuals will also have the option of purchasing additional coverage for other family members, older than 19 and may choose from three Supplemental dental plans.

These plans are designed to be marketed to individuals through the Colorado Exchange market. The individual will be the Policyholder for this filing.

Children to age 19 are eligible to enroll on the Pediatric Dental Plan. Adults and child dependents ages 19 to 26 are eligible to enroll on the Supplemental Dental Plan.

4. Premium Classification:

Age and benefit option.

5. Benefit Renewability

The policies are standard individual contracts. Coverage for individuals is renewable at the option of the policyholder. The Company reserves the right to increase premiums.

6. Age Basis

Age on effective date.

7. Policy/Rider form: N/A

B Assumption, Acquisition or Merger: N/A

C Rating Period: January 1, 2014 to December 31, 2014

D Underwriting:

We will comply with all applicable underwriting rules of Colorado Exchange.

E Effect of Law Changes: N/A

F Rate History: N/A

G Coordination of Benefits: N/A

H Description of Rate Calculations

- Base claim costs are developed using our company California claims experience from 2010 to 2012.
- Base claim costs are adjusted to reflect the plan design and adjusted for area using the 2010 HealthMaps Dental Rate Manual.
- A dental trend factor of 3% per year, for 3 years, is used to project future expected claims and is included in the premium rate structure.
- Standard company retention of 32.50% (administration – 13.50%, premium tax – 2.00%, user fees – 3.50%, commissions – 10.00% and profit – 3.50%) is applied.
- Individual rates for the Supplemental Plans do not include premiums for the Pediatric Plans.

I - This product was not priced with a lifetime loss ratio standard

J - A profit assumption of 3.5% was used in the rates calculations. No assumption was made for contingencies.

- K -** Average charges by procedure code are developed using our California data from 2010 to 2012
- The following standard company assumptions are applied to the average charges:
 - o Network use, In-Network discount, Out-of-Network discount, Deductible, Coinsurance and Annual Maximum Limit adjustments
 - Total claim cost by procedure code is determined as the sum of the average In-Network cost and the average Out-of-Network cost.
 - Weighted average base cost by class is developed using national frequency by procedure code from the 2010 HealthMaps Dental Rate Manual. Costs by class are further rolled up using standard company assumptions.
- L -** A dental trend factor of 3% per year is used to project costs data in a) from July 1, 2011 (mid-point of the experience period from 2010 to 2012) to July 1, 2014 (mid-point of the premium period from January 1, 2014 to December 31, 2014). As reported by the Bureau of Labor Statistics, the average annual inflation rate in the United States is 3.35% from 1914 until now but is only 2.7% from 2011 to 2012. We believe low inflation rates in the recent years will not sustain and rates will likely get back to historical level soon. Therefore, an annual trend rate of 3% is used in our projections.
- M -** Our California data in discussion K is 100% credible
- N -** 3 years of our California data were used and experience data has been provided to you previously.
- O -** N/A. This is a new product rate filing.
- P -** N/A. This is a new product rate filing.
- Q -** Summary of Area Factors lists factors by rating areas as defined by CMS. See attached exhibit for the development of age factors.
- R -** We will comply with all applicable underwriting rules of the Colorado Exchange and the Affordable Care Act.

Anticipated Future Loss Ratio

The anticipated future loss ratio for this policy is expected to be 67.5%. The loss ratio is computed as follows:

$$\text{Loss Ratio} = \frac{\text{Expected Incurred Claims}}{\text{Expected Earned Premium}}$$

Incurred claims are total claims for covered expenses paid on behalf of a covered person while coverage is in force, summed for all covered persons. Earned premium is the premium for each covered person for the period coverage is in force, summed for all covered persons.

Policy Forms Impacted

N/A

Experience Data

See attached exhibit.

Certification

I, Adam S. Chan, Actuary for BEST Life and Health Insurance Company ("BEST"), NAIC #90638, domiciled in Texas, do hereby certify that to the best of my knowledge and judgment, this rate submission is in compliance with the applicable laws and regulations of Colorado and all applicable Actuarial Standards of Practice, including ASOP No. 8, and that the attached rates are reasonable in relation to the benefits provided and are not excessive, inadequate, or unfairly discriminatory.



Adam S. Chan, A.S.A., M.A.A.A.
Corporate Actuary
BEST Life and Health Insurance Company
Irvine, California

July 18, 2013
Date

Actuarial Memorandum

A Summary

1. Reason(s) for the rate filing

This is a new PPO product rate filing to satisfy the Stand-Alone Supplemental and Pediatric Dental Plans Rate Filing requirements for the Colorado Health Benefit Plan under individual policy number IFD-PPO-POL-0113CO. The form filing does not replace previously approved forms.

2. Requested Rate Action: N/A

3. Product Description and Marketing Method

The policy provides benefits for two dental products: a Pediatric Dental Plan and an optional Supplemental Dental Plan. The Pediatric Dental plans offer the essential pediatric oral benefits required by the Affordable Care Act (ACA). Individuals will have the option of purchasing a high or low plan that meets the Actuarial Value required by the ACA. Individuals will also have the option of purchasing additional coverage for other family members, older than 19 and may choose from three Supplemental dental plans.

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Children to age 19 are eligible to enroll on the Pediatric Dental Plan. Adults and child dependents ages 19 to 26 are eligible to enroll on the Supplemental Dental Plan.

4. Premium Classification:

Age and benefit option.

5. Benefit Renewability

The policies are standard individual contracts. Coverage for individuals is renewable at the option of the policyholder. The Company reserves the right to increase premiums.

6. Age Basis

Age on effective date.

7. Policy/Rider form: N/A

B Assumption, Acquisition or Merger: N/A

C Rating Period: January 1, 2014 to December 31, 2014

D Underwriting:

We will comply with all applicable underwriting rules of Colorado Exchange.

E Effect of Law Changes: N/A

F Rate History: N/A

G Coordination of Benefits: N/A

H to R

Description of Rate Calculations

- Base claim costs are developed using our company California claims experience from 2010 to 2012.
- Base claim costs are adjusted to reflect the plan design and adjusted for area using the 2010 HealthMaps Dental Rate Manual.
- A dental trend factor of 3% per year, for 3 years, is used to project future expected claims and is included in the premium rate structure.
- Standard company retention of 32.50% (administration – 13.50%, premium tax – 2.00%, user fees – 3.50%, commissions – 10.00% and profit – 3.50%) is applied.
- Individual rates for the Supplemental Plans do not include premiums for the Pediatric Plans.

Anticipated Future Loss Ratio

The anticipated future loss ratio for this policy is expected to be 67.5%. The loss ratio is computed as follows:

$$\text{Loss Ratio} = \frac{\text{Expected Incurred Claims}}{\text{Expected Earned Premium}}$$

Incurred claims are total claims for covered expenses paid on behalf of a covered person while coverage is in force, summed for all covered persons. Earned premium is the premium for each covered person for the period coverage is in force, summed for all covered persons.

Policy Forms Impacted

N/A

Experience Data

See attached exhibit.

I, Adam S. Chan, Actuary for BEST Life and Health Insurance Company ("BEST"), NAIC #90638, domiciled in Texas, do hereby certify that to the best of my knowledge and judgment, this rate submission is in compliance with the applicable laws and regulations of Colorado and all applicable Actuarial Standards of Practice, including ASOP No. 8, and that the attached rates are reasonable in relation to the benefits provided and are not excessive, inadequate, or unfairly discriminatory.



Adam S. Chan, A.S.A., M.A.A.A.
Corporate Actuary
BEST Life and Health Insurance Company
Irvine, California

June 13, 2013
Date

Base Experience - Core California Business from 2010 to 2012

<u>IncurredDate</u>	<u>Policies</u>	<u>Exposures</u>				<u>Earned Premium</u>	<u>Incurred Claims</u>
		<u>Employees</u>	<u>Spouses</u>	<u>Child</u>	<u>Total</u>		
1/1/2010	721	6,535	1,912	2,742	11,189	\$ 530,559	\$ 361,117
2/1/2010	721	6,528	1,910	2,748	11,186	\$ 530,620	\$ 338,769
3/1/2010	724	6,505	1,904	2,754	11,163	\$ 528,214	\$ 381,023
4/1/2010	713	6,258	1,812	2,623	10,693	\$ 507,555	\$ 322,842
5/1/2010	714	6,187	1,776	2,575	10,538	\$ 501,199	\$ 305,928
6/1/2010	709	6,168	1,784	2,580	10,532	\$ 497,802	\$ 326,765
7/1/2010	702	6,102	1,740	2,537	10,379	\$ 492,901	\$ 278,363
8/1/2010	698	6,044	1,731	2,524	10,299	\$ 490,097	\$ 300,070
9/1/2010	695	6,115	1,750	2,555	10,420	\$ 494,472	\$ 310,020
10/1/2010	688	6,047	1,744	2,586	10,377	\$ 491,794	\$ 285,888
11/1/2010	679	5,969	1,709	2,513	10,191	\$ 492,932	\$ 268,288
12/1/2010	671	5,939	1,700	2,512	10,151	\$ 493,075	\$ 357,250
1/1/2011	657	6,051	1,779	2,653	10,483	\$ 504,592	\$ 319,783
2/1/2011	651	6,012	1,772	2,650	10,434	\$ 502,947	\$ 277,635
3/1/2011	648	5,986	1,776	2,662	10,424	\$ 504,649	\$ 338,295
4/1/2011	645	5,997	1,792	2,657	10,446	\$ 502,872	\$ 315,362
5/1/2011	639	5,892	1,768	2,609	10,269	\$ 495,253	\$ 284,629
6/1/2011	637	5,835	1,772	2,613	10,220	\$ 493,021	\$ 322,718
7/1/2011	637	5,827	1,776	2,628	10,231	\$ 492,749	\$ 282,393
8/1/2011	639	5,852	1,796	2,673	10,321	\$ 497,621	\$ 322,698
9/1/2011	631	5,695	1,773	2,642	10,110	\$ 488,900	\$ 298,841
10/1/2011	628	5,497	1,736	2,560	9,793	\$ 468,991	\$ 267,954
11/1/2011	628	5,466	1,718	2,554	9,738	\$ 466,289	\$ 260,936
12/1/2011	624	5,487	1,724	2,569	9,780	\$ 468,642	\$ 335,879
1/1/2012	621	5,276	1,621	2,343	9,240	\$ 448,556	\$ 301,434
2/1/2012	611	5,127	1,581	2,301	9,009	\$ 437,308	\$ 271,498

Base Experience - Core California Business from 2010 to 2012

<u>IncurDate</u>	<u>Policies</u>	<u>Exposures</u>				<u>Earned Premium</u>	<u>Incurred Claims</u>
		<u>Employees</u>	<u>Spouses</u>	<u>Child</u>	<u>Total</u>		
3/1/2012	606	5,112	1,577	2,281	8,970	\$ 435,983	\$ 299,305
4/1/2012	606	5,092	1,567	2,253	8,912	\$ 434,776	\$ 256,442
5/1/2012	602	5,060	1,559	2,262	8,881	\$ 433,948	\$ 255,415
6/1/2012	600	5,059	1,558	2,271	8,888	\$ 434,672	\$ 250,814
7/1/2012	600	4,987	1,548	2,234	8,769	\$ 429,064	\$ 257,299
8/1/2012	595	4,926	1,540	2,211	8,677	\$ 425,011	\$ 254,895
9/1/2012	593	4,849	1,535	2,193	8,577	\$ 423,452	\$ 197,938
10/1/2012	591	4,859	1,551	2,199	8,609	\$ 425,839	\$ 222,819
11/1/2012	587	5,018	1,585	2,226	8,829	\$ 436,803	\$ 232,292
12/1/2012	587	5,011	1,575	2,225	8,811	\$ 434,281	\$ 184,367
						\$ 17,137,439	\$ 10,447,966

Colorado Health Insurance Exchange Rate Filing

Individual Dental - Essential Pediatric Plans

High Plan - Actuarial Value 85%	Low Plan - Actuarial Value 70%
Per Child*	Per Child*

Base Cost	\$ 39.48	\$ 28.92
Trend	1.09	1.09
State factor	0.95	0.95
Net Cost	\$ 40.78	\$ 29.88

Administrative	13.50%	13.50%
Premium Tax	2.00%	2.00%
User Fees**	3.50%	3.50%
Broker Commission	10.00%	10.00%
Profit	3.50%	3.50%

Target Loss Ratio	67.50%	67.50%
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Final Rate**	\$ 60.42	\$ 44.27
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* Children to age 19 are eligible to enroll on the Pediatric Dental Plans.

** User fees of 3.5% imposed by the Department of Health and Human Services are included.

** Apply area factors from Summary of Area Factors to determine rates by different rating areas.

Colorado Health Insurance Exchange Rate Filing

Individual Dental - Supplemental Plans

High Plan	Mid Plan	Basic Plan
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Base Cost	\$ 44.15	\$ 36.71	\$ 28.08
Trend	1.09	1.09	1.09
State factor	0.95	0.95	0.95
Net Cost	\$ 45.61	\$ 37.92	\$ 29.01

Administrative	13.50%	13.50%	13.50%
Premium Tax	2.00%	2.00%	2.00%
User Fees*	3.50%	3.50%	3.50%
Broker Commission	10.00%	10.00%	10.00%
Profit	3.50%	3.50%	3.50%

Target Loss Ratio	67.50%	67.50%	67.50%
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Rate	\$ 67.57	\$ 56.18	\$ 42.98
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Final Rate Per Individual***

Age 19 to 26**	\$ 63.24	\$ 52.58	\$ 40.23
Age 26 to 65	\$ 67.57	\$ 56.18	\$ 42.98
Age 65 and Up	\$ 81.08	\$ 67.41	\$ 51.57

* User fees of 3.5% imposed by the Department of Health and Human Services are included.

** Adults and child dependents ages 19 to 26 are eligible to enroll on the Supplemental Dental Plans.

*** Apply area factors from Summary of Area Factors to determine rates by different rating areas.

Colorado Health Insurance Exchange Rate Filing

Summary of Area Factors

Area Factor

Rating Area 1	1.03
Rating Area 2	1.00
Rating Area 3	1.02
Rating Area 4	1.02
Rating Area 5	0.89
Rating Area 6	0.99
Rating Area 7	1.00
Rating Area 8	0.95
Rating Area 9	0.98
Rating Area 10	0.91
Rating Area 11	0.95

Colorado Health Insurance Exchange Rate Filing

Individual Dental - Essential Pediatric Plans

High Plan - Actuarial Value 85%	Low Plan - Actuarial Value 70%
Per Child*	Per Child*

Base Cost	\$ 39.48	\$ 28.92
Trend	1.09	1.09
State factor	0.95	0.95
Net Cost	\$ 40.78	\$ 29.88

Administrative	13.50%	13.50%
Premium Tax	2.00%	2.00%
User Fees**	3.50%	3.50%
Broker Commission	10.00%	10.00%
Profit	3.50%	3.50%

Target Loss Ratio	67.50%	67.50%
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Final Rate**	\$ 60.42	\$ 44.27
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* Children to age 19 are eligible to enroll on the Pediatric Dental Plans.

** User fees of 3.5% imposed by the Department of Health and Human Services are included.

** Apply area factors from Summary of Area Factors to determine rates by different rating areas.

Colorado Health Insurance Exchange Rate Filing

Individual Dental - Supplemental Plans

High Plan	Mid Plan	Basic Plan
-----------	----------	------------

Base Cost	\$ 44.15	\$ 36.71	\$ 28.08
Trend	1.09	1.09	1.09
State factor	0.95	0.95	0.95
Net Cost	\$ 45.61	\$ 37.92	\$ 29.01

Administrative	13.50%	13.50%	13.50%
Premium Tax	2.00%	2.00%	2.00%
User Fees*	3.50%	3.50%	3.50%
Broker Commission	10.00%	10.00%	10.00%
Profit	3.50%	3.50%	3.50%

Target Loss Ratio	67.50%	67.50%	67.50%
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Rate	\$ 67.57	\$ 56.18	\$ 42.98
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Final Rate Per Individual***

Age 19 to 26**	\$ 63.24	\$ 52.58	\$ 40.23
Age 26 to 65	\$ 67.57	\$ 56.18	\$ 42.98
Age 65 and Up	\$ 81.08	\$ 67.41	\$ 51.57

* User fees of 3.5% imposed by the Department of Health and Human Services are included.

** Adults and child dependents ages 19 to 26 are eligible to enroll on the Supplemental Dental Plans.

*** Apply area factors from Summary of Area Factors to determine rates by different rating areas.

Actuarial Memorandum

A Summary

1. Reason(s) for the rate filing

This is a new PPO product rate filing to satisfy the Stand-Alone Supplemental and Pediatric Dental Plans Rate Filing requirements for the Colorado Health Benefit Plan under individual policy number GFD-IM-PPO-POL-0113CO. The form filing does not replace previously approved forms.

2. Requested Rate Action: N/A

3. Product Description and Marketing Method

The policy provides benefits for two dental products: a Pediatric Dental Plan and an optional Supplemental Dental Plan. The Pediatric Dental plans offer the essential pediatric oral benefits required by the Affordable Care Act (ACA). Individuals will have the option of purchasing a high or low plan that meets the Actuarial Value required by the ACA. Individuals will also have the option of purchasing additional coverage for other family members, older than 19 and may choose from three Supplemental dental plans.

These plans are provided through the BEST Employers Association, a California corporation, and are designed to be marketed to individuals through the Colorado Exchange market. The BEST Employers Association would be the Policyholder for this filing.

Children to age 19 are eligible to enroll on the Pediatric Dental Plan. Adults and child dependents ages 19 to 26 are eligible to enroll on the Supplemental Dental Plan.

4. Premium Classification:

Age and benefit option.

5. Benefit Renewability

The policies are standard individual contracts. Coverage for individuals is renewable at the option of the policyholder. The Company reserves the right to increase premiums.

6. Age Basis

Age on effective date.

7. Policy/Rider form: N/A

B Assumption, Acquisition or Merger: N/A

C Rating Period: January 1, 2014 to December 31, 2014

D Underwriting:

We will comply with all applicable underwriting rules of Colorado Exchange.

E Effect of Law Changes: N/A

F Rate History: N/A

G Coordination of Benefits: N/A

H to R

Description of Rate Calculations

- Base claim costs are developed using our company California claims experience from 2010 to 2012.
- Base claim costs are adjusted to reflect the plan design and adjusted for area using the 2010 HealthMaps Dental Rate Manual.
- A dental trend factor of approximately 4% per year is used to project future expected claims and is included in the premium rate structure.
- Standard company retention of 31.00% (administration – 12.00%, premium tax – 2.00%, user fees – 3.50%, commissions – 10.00% and profit – 3.50%) is applied.
- Individual rates for the Supplemental Plans do not include premiums for the Pediatric Plans.

Anticipated Future Loss Ratio

The anticipated future loss ratio for this policy is expected to be 69.00%. The loss ratio is computed as follows:

$$\text{Loss Ratio} = \frac{\text{Expected Incurred Claims}}{\text{Expected Earned Premium}}$$

Incurred claims are total claims for covered expenses paid on behalf of a covered person while coverage is in force, summed for all covered persons. Earned premium is the premium for each covered person for the period coverage is in force, summed for all covered persons.

Policy Forms Impacted

N/A

Experience Data

See attached exhibit.

I, Adam S. Chan, Actuary for BEST Life and Health Insurance Company ("BEST"), NAIC #90638, domiciled in Texas, do hereby certify that to the best of my knowledge and judgment, this rate submission is in compliance with the applicable laws and regulations of Colorado and all applicable Actuarial Standards of Practice, including ASOP No. 8, and that the attached rates are reasonable in relation to the benefits provided and are not excessive, inadequate, or unfairly discriminatory.



Adam S. Chan, A.S.A., M.A.A.A.
Corporate Actuary
BEST Life and Health Insurance Company
Irvine, California

June 6, 2013
Date

Colorado Health Insurance Exchange Rate Filing

Individual Dental - Essential Pediatric Plans

High Plan - Actuarial Value 85%	Low Plan - Actuarial Value 70%
Per Child*	Per Child*

Base Cost	\$ 48.96	\$ 34.54
Trend	1.12	1.12
Area factor	0.95	0.95
Net Cost	\$ 52.01	\$ 36.69

Administrative	12.00%	12.00%
Premium Tax	2.00%	2.00%
User Fees**	3.50%	3.50%
Broker Commission	10.00%	10.00%
Profit	3.50%	3.50%

Target Loss Ratio	69.00%	69.00%
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Final Rate**	\$ 75.37	\$ 53.17
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* Children to age 19 are eligible to enroll on the Pediatric Dental Plans.

** User fees of 3.5% imposed by the Department of Health and Human Services are included.

Actuarial Memorandum

Scope and Purpose

This is a new PPO product rate filing to satisfy the Stand-Alone Supplemental and Pediatric Dental Plans Rate Filing requirements for the Colorado Health Benefit Plan under individual policy number GFD-IM-PPO-POL-0113CO. The form filing does not replace previously approved forms.

Premium Classification

Age and benefit option.

Product Description and Marketing Method

The policy provides benefits for two dental products: a Pediatric Dental Plan and an optional Supplemental Dental Plan. The Pediatric Dental plans offer the essential pediatric oral benefits required by the Affordable Care Act (ACA). Individuals will have the option of purchasing a high or low plan that meets the Actuarial Value required by the ACA. Individuals will also have the option of purchasing additional coverage for other family members, older than 19 and may choose from four Supplemental dental plans.

These plans are provided through the Beneficial Employers Security Trust of Utah, and are designed to be marketed to individuals through the Colorado Exchange market. The Trust acts as the Policyholder for this filing, but we want the option to offer this product to other Associations as well.

Children to age 19 are eligible to enroll on the Pediatric Dental Plan. Adults and child dependents ages 19 to 26 are eligible to enroll on the Supplemental Dental Plan.

Benefit Renewability

The policies are standard individual contracts. Coverage for individuals is renewable at the option of the policyholder. The Company reserves the right to increase premiums.

Proposed Effective Date

January 1, 2014

Age Basis

Age on effective date.

Description of Rate Calculations

- Base claim costs are developed using our company California claims experience from 2010 to 2012.
- Base claim costs are adjusted to reflect the plan design and adjusted for area using the 2010 HealthMaps Dental Rate Manual.
- A dental trend factor of approximately 4% per year is used to project future expected claims and is included in the premium rate structure.
- Standard company retention of 31.00% (administration – 12.00%, premium tax – 2.00%, user fees – 3.50%, commissions – 10.00% and profit – 3.50%) is applied.
- Individual rates for the Supplemental Plans do not include premiums for the Pediatric Plans.

Anticipated Future Loss Ratio

The anticipated future loss ratio for this policy is expected to be 69.00%. The loss ratio is computed as follows:

$$\text{Loss Ratio} = \frac{\text{Expected Incurred Claims}}{\text{Expected Earned Premium}}$$

Incurred claims are total claims for covered expenses paid on behalf of a covered person while coverage is in force, summed for all covered persons. Earned premium is the premium for each covered person for the period coverage is in force, summed for all covered persons.

Policy Forms Impacted

N/A

I, Adam S. Chan, Actuary for BEST Life and Health Insurance Company ("BEST"), NAIC #90638, domiciled in Texas, do hereby certify that to the best of my knowledge and judgment, this rate submission is in compliance with the applicable laws and regulations of Colorado and all applicable Actuarial Standards of Practice, including ASOP No. 8, and that the attached rates are reasonable in relation to the benefits provided and are not excessive, inadequate, or unfairly discriminatory.



Adam S. Chan, A.S.A., M.A.A.A.
Corporate Actuary
BEST Life and Health Insurance Company
Irvine, California

May 24, 2013
Date

Colorado Health Insurance Exchange Rate Filing

Individual Dental - Essential Pediatric Plans

High Plan - Actuarial Value 85%	Low Plan - Actuarial Value 70%
Per Child*	Per Child*

Base Cost	\$ 87.64	\$ 61.83
Trend	1.12	1.12
Area factor	0.95	0.95
Net Cost	\$ 93.09	\$ 65.67

Administrative	12.00%	12.00%
Premium Tax	2.00%	2.00%
User Fees**	3.50%	3.50%
Broker Commission	10.00%	10.00%
Profit	3.50%	3.50%

Target Loss Ratio	69.00%	69.00%
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Final Rate**	\$ 134.91	\$ 95.18
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* Children to age 19 are eligible to enroll on the Pediatric Dental Plans.

** User fees of 3.5% imposed by the Department of Health and Human Services are included.

Colorado Health Insurance Exchange Rate Filing

Individual Dental - Supplemental Plans

High Plan	Mid Plan	Basic Plan
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Base Cost	\$ 86.07	\$ 70.68	\$ 50.77
Trend	1.12	1.12	1.12
Area factor	0.95	0.95	0.95
Net Cost	\$ 91.42	\$ 75.08	\$ 53.93

Administrative	12.00%	12.00%	12.00%
Premium Tax	2.00%	2.00%	2.00%
User Fees*	3.50%	3.50%	3.50%
Broker Commission	10.00%	10.00%	10.00%
Profit	3.50%	3.50%	3.50%

Target Loss Ratio	69.00%	69.00%	69.00%
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Rate	\$ 132.49	\$ 108.81	\$ 78.16
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Final Rate Per Individual

Age 19 to 26**	\$ 125.87	\$ 103.37	\$ 74.26
Age 26 to 65	\$ 132.49	\$ 108.81	\$ 78.16
Age 65 and Up	\$ 165.61	\$ 136.02	\$ 97.70

* User fees of 3.5% imposed by the Department of Health and Human Services are included.

** Adults and child dependents ages 19 to 26 are eligible to enroll on the Supplemental Dental Plans.